

So What if Morales Wins in Bolivia

By Ronald Bruce St John | December 14, 2005

Evo Morales, indigenous candidate and *bête noire* of the Bush administration, looks set to become the next president of Bolivia. In polls released less than two weeks before elections scheduled for December 18, 2005, Morales leads with 36% of the vote, compared to 30% for former President Jorge “Tuto” Quiroga and only 12% for cement magnate Samuel Doria Medina. Once again misreading events in Bolivia, the White House is up in arms with the real prospect of a Morales victory.

Campaign Issues

Morales rose to national prominence a decade ago as the populist leader of the *cocaleros* (coca leaf producers) of the remote, lush Chapare region, where the Bolivian government has focused eradication efforts. In a country in which upwards of 85 percent of the population is of pure or mixed Amerindian descent, his election would mark the first time an indigenous politician has been elevated to the presidency. A victory by Morales would thus mark a socioeconomic, as well as a political, revolution.

On the surface, many of the policies advocated by Morales and his political party, the Movimiento Al Socialismo (MAS), parallel those of the two leading opposition parties, Quiroga’s Poder Democrático y Social (Podemos) and Doria Medina’s Unidad Nacional (UN). All three parties agree the core foreign policy issues are the exploitation of petroleum and natural gas deposits, as part of a broader policy to increase foreign trade and investment, together with sovereign access to the Pacific Ocean.

Unanimity is particularly noteworthy on the seaport question, a central issue in Bolivian politics since Chile occupied Bolivia’s sea coast during the War of the Pacific (1879-1883). Every Bolivian politician since that time has put the question of regaining a Pacific port at the top of the foreign policy agenda.

The three leading parties also agree the exploitation of natural gas reserves is the key to stronger, more diversified economic growth. Surrounded by energy-

hungry neighbors, Bolivia’s gas reserves are estimated to be more than 50 trillion cubic feet, second only to Venezuela on the continent, and worth some \$70 billion. While there is widespread agreement on the need to exploit this treasure, MAS separates from Podemos and UN in insisting on the nationalization of the oil and gas industries. Morales has ruled out expropriation, but he has yet to articulate a detailed plan for the hydrocarbon industry. Pledging to revise existing contracts and speaking of “partners” as opposed to “masters,” he appears to be advocating creation of a public sector company, like Petrobras in Brazil, as opposed to a more radical, Cuban-type expropriation of the assets owned by foreign energy companies.

The MAS approach to coca production in Bolivia and the broader war on drugs is another area of significant policy difference. If elected, Morales has said he will reject the U.S. government’s policy on eradicating much of the country’s coca leaf crop, the primary ingredient for cocaine. He has also pledged to launch an international campaign to legalize coca leaf, suggesting he hopes to industrialize it so it can be made into food and medicinal products. In contrast, former President Quiroga, who oversaw coca eradication efforts in 2001-2002, is a longtime champion of an alternative development strategy, replacing coca cultivation with crops like oranges or bananas. Officials of the current Bolivian government and United States agree any coca produced above the present legal limit of 29,600 acres for traditional uses is destined for cocaine production.



Nationalism has also been a recurrent theme in campaign discourse, especially as it relates to Chile and the seaport issue. Most recently, Morales accused caretaker President Eduardo Rodríguez of committing treason after he sent some 30 aging Chinese-made, shoulder-launched missiles to the United States for deactivation. The MAS candidate contends the obsolete and possibly dangerous missiles are needed for air defense, suggesting their dispatch to the United States put Bolivia under “foreign domination.” In turn, the Bush administration has been campaigning to rid Latin America of portable arms that could fall into the hands of terrorists. Morales was eventually successful in having the missiles returned to Bolivia.

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Ethnic, Social, and Regional Issues

The significant public policy issues that divide Bolivia today are compounded by deep-seated and inflammatory socioeconomic questions. Issues of regionalism have long divided the western highlands of Bolivia from the eastern and southern lowlands. The question of how best to exploit gas reserves, which are located in the lowlands, pits the economic needs of the impoverished, mostly Indian population of the Andean highlands against the aspirations of the lighter-skinned business elite of the eastern and southern lowlands. Many business leaders in the eastern city of Santa Cruz, eager to see the gas reserves

fully developed, favor greater autonomy from La Paz, if not outright secession.

Race is also a central element in the contemporary political equation in Bolivia, the poorest country in South America, as it has been in Ecuador and Peru in recent years. Growing tension between poor Indian majorities and ruling elites has produced simmering social tensions throughout the region. In local councils in Bolivia, there has even been talk of forming an indigenous nation, reaching from the highlands of Bolivia into Chile and Peru.

The presidential campaign has stirred considerable regional and international interest because other Andean states are facing many of the same problems as Bolivia. The free-market policies followed up and down the coast of South America in the 1990s succeeded in attracting foreign investment and generating tax revenues; however, the economic benefits did not trickle down to the poor. The failure of the so-called Washington Consensus, aggravated by the short-sighted policies of the Bush administration, increasingly polarized an already volatile political climate. Disillusionment probably reached its extreme in Argentina and Venezuela; however, political instability has been on the rise throughout the region. Bolivia has had three presidents in as many years. In Ecuador, the indigenous leaders who supported the election of President Lucio Gutiérrez in 2002 helped force him out of office last April for agreeing to policies demanded by the International Monetary Fund. In Peru, where orthodox macroeconomic policies have been relatively more successful, President Alejandro Toledo’s popularity has bounced in and out of single digits for most of a five-year term ending in mid-2006.

Washington Concerns

In the course of the 2002 presidential elections, U.S. Ambassador Manuel Rocha intervened directly in the campaign, suggesting the United States might terminate economic aid to Bolivia if Evo Morales was elected president. In response, the popularity of Morales soared in the final days of the campaign, and he eventually lost the election to Sanchez de Lozada

by only two percentage points. Washington has continued to intervene in Bolivian politics since 2002 albeit with somewhat more subtlety. Over the last four years, the United States has poured more than \$150 million annually into Bolivia in military and social aid, in part to fight coca cultivation.

Reminiscent of discourse during the Cold War years, Bush administration officials have repeatedly suggested that Venezuelan President Hugo Chávez, with the assistance of Cuban President Fidel Castro, is financing Morales and MAS in an effort to destabilize the Bolivian government. In January 2005, General James Hill, former commander of the U.S. Southern Command, told the *Miami Herald* it was pretty well documented that Chávez had given money to Morales although Hill offered no evidence to back up his claim.

A few months later, after Bolivian President Carlos Mesa was forced out of office, Roger Noriega, outgoing head of the Department of State's Bureau of Western Hemisphere Affairs, again charged Cuba and Venezuela were interfering in Bolivia's internal affairs, suggesting Chávez was behind the ouster of Mesa. Roger Pardo-Maurer, an official specializing in Western Hemisphere issues at the Department of Defense, later claimed Bolivia was the target of the two leftist countries because revolutionary conditions existed in Bolivia. Criticism like this from U.S. officials has only boosted Morales' popularity in an increasingly nationalistic country. Front-runner Morales openly admits his admiration for both Chávez and Castro, but he has repeatedly denied receiving any financial assistance from Chávez. In turn, the Venezuelan President has countered, charging it is the United States, not Cuba and Venezuela, that is intervening in the internal affairs of Bolivia.

Limits of Governance

As almost any politician will concede, the excitement of political campaigning bears little resemblance to the day-to-day business of governing. Crisscrossing Bolivia, the populist Morales has promised his followers to nationalize the nation's natural resources, improving rural communities and

individual lives in the process. In so doing, he has generated a revolution of rising expectations that could quickly threaten his ability to govern. The renegotiation of contracts with multinational hydrocarbon producers, for example, will take months, if not years. In the interim, hydrocarbon revenues and investments will probably decline, restricting the government's ability to make good on campaign promises, especially the provision of basic services, like electricity and water, so desperately needed by poor Bolivians. The battle over a second major demand of MAS supporters, creation of a national assembly to rewrite the constitution, will also likely be prolonged and fierce. Given the limits of governance, the policies of a Morales administration could prove more moderate than critics fear—and supporters would like.

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Regardless of who wins the election this month, a recent editorial in *La Razón*, a respected La Paz daily newspaper, rightly suggested that confrontation will remain an integral part of the Bolivian political process. Even if Morales is successful, Podemos is still expected to enjoy a majority in the upper house which means it will be in a position to block or temper MAS initiatives necessitating legislative approval. The bulk of the new departmental prefects are also expected to be opponents of MAS.

Win or lose, MAS in turn can be expected to continue its practice of employing often debilitating protest marches and street demonstrations in support of its policies. In early December, Román Loayza, a political ally of Morales, went so far as to suggest the latter would become president through force if not democratically elected. Morales quickly disassociated

himself from any hint of an armed insurrection or *golpe del estado*; nevertheless, massive street protests have been an effective MAS tactic in the past and will likely be used again in the future.

Democracy in Action

In the end, the 2005 presidential elections in Bolivia are about what is best for the Bolivian people and who will make that decision, a ruling elite or an indigenous majority. The foreign policy of the Bush administration puts the promotion of democracy center stage, and it is time for the White House to practice what it preaches. Bolivia is currently moving toward what former President Quiroga has termed “the most important election of our lives.” Let the democratic process play out. The Bolivian people must decide for themselves where they want to take their country. With a large Amerindian population,

Bolivia looks bound for majority rule, for the first time ever, in a free and fair election. If Morales wins, he must be allowed to govern.

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