

## Bolivia: The real divide

Tuesday 17 May 2011, by [FUENTES Federico](#) (Date first published: 23 February 2005).

Since January, Bolivia's eastern state of Santa Cruz has been rocked by protest. Under the leadership of the Santa Cruz Civic Committee, the movement demanding greater autonomy for the state has held actions including a January 11 24-hour general strike, culminating in a 150,000-strong rally declaring the state's autonomy on January 28.

Like the protests in the eastern highlands city of El Alto, the spark for people's anger is President Carlos Mesa's December agreement to follow International Monetary Fund demands and increase prices on diesel, petrol and kerosene. The mobilisation by *altenos*, the predominantly indigenous and working-class population of El Alto who were decisive in overthrowing a president in October 2003.

On January 14, Mesa was forced to back down and agree to one of their key demands — to boot out the French-based Suez water corporation and return control of the city's water to its people.

Only a week later, Mesa responded to continuing protest in the city by backing down on diesel price rises. Santa Cruz uses 60% of the country's diesel, mainly for large-scale agricultural production.

Since these backdowns, however, the protests have intensified, with the demand for regional autonomy taking centre stage. Autonomy is a big question in Bolivia, raised not only by different Santa Cruz groups, but also by many indigenous groups from the *altiplano*, the western highlands. While this is often viewed as a geographical issue, a closer look reveals the real fault lines in Bolivia today.

Autonomy calls from Bolivia's indigenous groups have always been reflective of the diverse cultures, languages and traditions within modern Bolivia. However as Ted Ballve noted on the NarcoNews website <<http://www.narconews.com>> on August 27, the civic and business groups now raising autonomy "are at the forefront of [the] drive to challenge the indigenous movements' supremacy as the nation's most active political force".

Santa Cruz accounts for 90% of Bolivia's industry, 60% of its oil wells and more than 50% of GDP. The gas transnationals are desperate to monopolise control of this wealth, even through separation from the west. The calls for autonomy increased in October, after the introduction to parliament of the hydrocarbon bill, which would have increased gas royalties to 50%, and increased state ownership over gas reserves.

Supported by the left-wing Movement Towards Socialism (MAS), whose traditional base is amongst indigenous peoples and the coca grower movement, the bill is currently logjammed in parliament after passing its first stage.

The Santa Cruz Civic Committee is strongly allied with the Santa Cruz Chamber of Commerce and Industry (CAINCO), which Ballve points out "represents about 1500 companies operating in the region, and according to its mission statement ... 'serves to protect and defend the interest of its member companies', among them, oil and gas companies. In fact, many of the international conglomerates with existing gas contracts in the region—Repsol-YPF, Petrobras, Enron — are members of CAINCO's board of directors."

Santa Cruz's white elite has a strong racist streak. When Miss Bolivia Gabriela Oviedo said:

“unfortunately ... La Paz is all the image that [Bolivia reflects], is that poor people and very short people and Indian people ... I’m from the other side of the country, the east side .... and we are tall and we are white people and we know English...”, she was treated like a hero in the town.

However, a number of trade unions, indigenous and peasant organisations are opposing the Santa Cruz oil oligarchy. The Guaraní people, for example, have demanded the creation of a 10<sup>th</sup> state out of five provinces, including one currently in Santa Cruz, where some of the biggest oil reserves are found. Releasing the demand on January 29, spokesperson Nelly Romero said the Guaraníes “can’t allow the regional oligarchy to continue speaking in their name and profiting from their oil-rich territory”.

In last year’s municipal elections, MAS won a Santa Cruz city councillor for the first time.

It is clear that the real divide today is between those — easterners and westerners — who are fighting to regaining sovereignty over their lives and land, and the oil oligarchy centred in Santa Cruz which is opposing them.

Mesa is increasingly squeezed between the two. Mesa’s need for the support of the poor, and MAS, has led the oil oligarchy to distrust him. However, mesa has also tried to impede the progress of the promises he was elected on, the so-called October Agenda: gas nationalisation; punishment of politicians responsible for 67 deaths in the October 2003 rebellion; and a Constituent Assembly to rewrite the constitution.

While Mesa has attempted to excuse his sluggishness by citing the hostility of the oil oligarchy and the threat of a coup, and has even threatened to resign in favour of a more right-wing candidate in order to blackmail his opponents into remaining quiet, his popularity is waning.

MAS is pressuring Mesa to clearly choose a side, and to call new elections if he is unwilling to implement the October Agenda. However, it seems Mesa is moving to the right instead.

On February 3, Mesa announced his third cabinet reshuffle, bringing eight new ministers to the 15-strong team. The economy and the land portfolios were given to parliamentarians aligned with the oil oligarchy. The latter is important as occupations of idle land by landless poor is increasing.

MAS leader Evo Morales responded on February 9: “This government represents the traditional political caste, the power of business owners and oligarchy of this country and an attempt to rearticulate the ‘megacoalition’ of [overthrown president] Sanchez de Lozada. The social movements reject this new cabinet because it intends not to recognise the October Agenda.”

Within 24 hours of her appointment as health minister, Maria Teresa Paz, aligned to de Lozada, was forced to resign because health workers called an indefinite strike.

**Federico Fuentes**

---

**P.S.**

\* From Green Left Weekly, February 23, 2005.