

Bolivia's Movement Towards Socialism Prepares for Recall Referendums

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With the victory of an unlikely opposition candidate in the June 29 election for prefect (governor) of Chuquisaca, the number of opposition-controlled prefectures increased to seven out of nine. The result came as the right-wing opposition plots the extension of its regionalized resistance against Bolivia's first indigenous president, Evo Morales.

Sabina Cuellar — a former peasant leader, indigenous woman, graduate of the government's literacy program and former constituent assembly delegate for the governing party, Movement Towards Socialism (MAS) — will replace evangelical pastor and former MAS prefect David Sanchez.

Sanchez is now living in exile in Peru after resigning earlier this year following violent clashes between urban mestizo (mixed blood) sectors and indigenous peasants in the department's capital, Sucre.

Racist attacks against indigenous constituent assembly delegates meeting in Sucre to draft a new constitution for the country forced the assembly to reconvene, without the presence of opposition delegates, in a military compound where they finally approved the controversial document in December last year. The draft still awaits popular approval at the polls.

Heading an anti-Morales alliance that campaigned in favour of greater regional autonomy, Cuellar won with 55% of the vote; the MAS candidate obtained 41%. Although in the city of Sucre, Cuellar won 71% to 24%, in the rural area the vote was the reverse, 33% to 64%.

Pro-autonomy prefect

Not long after winning the vote, Cuellar publicly refused to meet with Morales, stating she would push for a vote on autonomy in Chuquisaca.

In the 2006 national autonomy referendum, Chuquisaca voted overwhelmingly against autonomy, with 62% voting "No". However, the pro-autonomy forces hope that the new situation can consolidate Chuquisaca as part of the pro-autonomy bloc of departments.

Cuellar's victory comes as the national MAS government gears up for the August 10 recall referendums on the president, vice-president and remaining eight prefects. Still uncertain is the date for the vote on the new constitution, aimed at institutionalizing the government's indigenous and national-popular project. The central plank of this project is the inclusion of Bolivia's historically excluded indigenous majority within a "plurinational" state, and greater state control over natural resources.

However, strong resistance from the right-wing elites threatens to slow down, if not halt, the progress of MAS's self-proclaimed "democratic and cultural revolution".

Since May 4, the four departments that make up the opposition-controlled "half moon" in the east — Santa Cruz, Tarija, Pando and Beni — have organised referendums on autonomy statutes, deemed unconstitutional by the government and National Electoral Court.

While the opposition have claimed overwhelming victories, with "Yes" votes of 70-85%, the national government has been quick to highlight the abstention rates of 35-45%, in the context of threats and violent attacks against opponents of the autonomy push.

The proposed "autonomy" statutes are aimed at undermining the power of the central state by handing over enormous power to the prefectures — including control over natural resources and distribution of land titles.

The push has been driven by the elites tied to large agribusiness and gas transnationals located in Santa Cruz (origin of 30% of Bolivia's GDP and over 50% of tax revenue, and home to 47.6% of foreign investment in the country). These elites have gradually been displaced from national power as indigenous, peasant, worker and social movements have surged forward, overthrown presidents and united behind MAS's national project for change.

Retreating to their trenches in the east, where they continue to maintain a strong political, social and cultural hegemony, the elites have been able to mobilize significant sections of the population in the half moon through a discourse that combines railing against "La Paz centralism", promoting long-held sentiments of "cruceño identity", and outright racism.

When the sensitive issue of where Bolivia's capital should be located was brought up in the constituent assembly, the eastern-based opposition was quick to stoke controversy about the issue in order to gain influence in yet another department. While Sucre is the historic capital of Bolivia, all the state powers were shifted to La Paz following the 1899 Federal War between conservative forces based in the south and liberals in the west around La Paz.

The hope that returning the political capital to Sucre could help fuel development and employment mobilized important sectors of the city, particularly students and middle class. This led to violent clashes, as peasant MAS supporters marched on Sucre to defend the government and assembly.

Two economic models

Following Cuellar's victory, the prefects of the half moon, organized through the National Democratic Coordinator (CONALDE), announced they would reverse their June 23 decision to oppose the recall referendums on the president, vice-president and remaining prefects.

The Senate, controlled by the opposition party Podemos, after allowing MAS's law on holding the referendums to gather dust for over four months, approved the law in May. This move surprised the pro-autonomy forces and raised excitement in the presidential palace about the prospects of removing at least two opposition prefects, with a further two in serious jeopardy.

Speaking in Santa Cruz on July 17, Morales said that what was at stake in the August 10 referendums was more than just who would be president or prefect. "Here there are two

economic models at play, two economic programs: neoliberalism or the process of change. That is what is in discussion”, he stated as he handed over funds for the implementation of 21 potable water projects in the department worth US\$1.8 billion.

Counting on a solid voting base of some 90% in the Chapare coca region, 70% in El Alto, similar proportions in the countryside, and a base vote of 30% in Santa Cruz, the government is pretty sure it will match its 53.7% vote obtained in the 2005 presidential elections.

However, the vote in Chuquisaca reflects the growing tensions between the MAS government and urban middle-class mestizo sectors, many of whom voted for Morales with the hope of returning stability to the country.

It also reveals the advances made by the right in pushing back MAS’s drive for national hegemony.

To counter this, MAS has been working to shore up some fragile alliances built since 2005, particularly with the Movement of those Without Fear (MSM), grouped around La Paz mayor Juan Del Granado and made up of middle-class professionals and intellectuals.

International attacks

Meanwhile, tensions between the government and Washington have been rising, as more information comes out regarding the funding of opposition groups in Bolivia via the US Agency for International Development (USAID).

Last month, Washington recalled its ambassador to Bolivia following massive protests outside the US embassy, which the US accused Morales of inciting.

The protests were over the decision to give asylum in the US to former minister of defence Carlos Sanchez Berzain, known as the “minister of death” for his role in brutal repression that left some 70 people dead during an October 2003 uprising that overthrew President Gonzalo Sanchez de Lozada.

The Bolivian government has requested the extradition of both men to face trial over their roles in the massacre.

Attacks have also come from transnationals. The government faces legal challenges from Telecom Italia following the May 1 nationalization of its subsidiary Entel, which controlled 80% of the long-distance market and 70% of the country’s mobile telephone services.

The move was the latest in a wave of nationalizations in strategic sectors such as gas, telecommunications and railways.

In response, Bolivia seized some \$49 million transferred by Telecom Italia from Entel to a British bank. It is also seeking to seize another \$31 million transferred to a US bank prior to the carrier’s nationalization, because of the company’s failure to meet investment commitments and to pay its \$645 million debt to the state in fines and back taxes.

Bolivia has refused to allow the World Bank to arbitrate the dispute, citing the fact that it withdrew from the World Bank’s International Centre for Settlement of Investment Disputes last year.

The nationalization of Bolivia's largest tin smelter has also been challenged by its former owner, Glencore, with which the government is also in discussions regarding two other mines.

In June, to deal with these conflicts, Morales created a new ministerial post to defend the country from attacks against its nationalization policies.

On July 14, Bolivian gas minister Carlos Villegas announced that Venezuela would spend \$883 million to boost Bolivian oil and natural gas output by 2013 — nearly 50% more than it originally promised its Andean ally.

AP reported that "about three-quarters of the Venezuelan money will finance exploration and production at southern Bolivian fields run by Petroandina, a joint enterprise between Bolivia's and Venezuela's state oil companies".

On July 17, at a public rally with Morales in Santa Cruz, Brazilian President Inácio "Lula" da Silva and Venezuelan President Hugo Chávez announced that they would contribute loans of \$230 million and \$300 million respectively to aid integration of the departments of La Paz, Beni and Pando through constructing highways.

Earlier in the day, clashes involving police, the opposition and government supporters occurred as Morales arrived in the city.

Extremist youth opposition groups have vowed to not allow Morales to campaign in the east over the three weeks leading up to the referendum.

Federico Fuentes is a Latin America correspondent for Green Left Weekly. He also edits Bolivia Rising, a major source of information, analysis and opinion on events in Bolivia.

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