

**The London School of Economics and Political Science**

**The Gap between Legality and Legitimacy**

**The Bolivian State Crisis (2000-2008) in Historical and  
Regional Perspective**

**Gustavo Bonifaz Moreno**

**A thesis submitted to the Department of Government of the  
London School of Economics for the degree of Doctor of  
Philosophy, London, March 2017**

## **Declaration**

I certify that the thesis I have presented for examination for the MPhil/PhD degree of the London School of Economics and Political Science is solely my own work other than where I have clearly indicated that it is the work of others (in which case the extent of any work carried out jointly by me and other person is clearly identified in it).

The copyright of this thesis rests with the author. Quotation from it is permitted, provided that full acknowledgement is made. This thesis may not be reproduced without my written consent.

I declare that my thesis consists of 100,000 words.

## **Abstract**

The present thesis investigates the causes of the Bolivian state crisis (2000-2008). The case study is intriguing because, compared to other countries in the region, Bolivia appeared to successfully implement competitive elections and neo-liberal reforms. Nevertheless, by 2008 the country was on the verge of civil war. This sudden political collapse, I argue, shows that Bolivia represents an extreme case of a regional trend, namely the periodic opening of a gap between legality and legitimacy in periods of social change, punctuated by external shocks.

Most accounts of the crisis try to explain it based on the historical prevalence of ethnic, regional or class cleavages within the Bolivian society. Other explanations claim that the crisis was caused by the inability of the country to sustain positive reforms. The former explanations fail because they try to explain what has changed, based on what has not. The latter fail to explain the sudden collapse of the system.

In order to provide a better explanation of the Bolivian state crisis, I followed Samuel Huntington's (1968) study on the relationship between social change, political institutions and instability. I revisited and revised Huntington's theory combining historical sociology and historical institutionalism. The thesis makes a theoretical contribution through a conceptual advancement to Huntington's approach by embedding it in a more adequate framework: the gap between legality and legitimacy.

Empirically, the research is based on elite interviews, original electoral data, archival records of the CA, and secondary sources. Methodologically, a process-tracing analysis of this evidence led me to conclude that intense social changes, punctuated by external shocks, unsettled and politicised the Bolivian structure of cleavages, giving way to a situation by which political institutions were unable to process social conflicts within the constitutional structure. A cross-temporal comparative analysis of former Bolivian state crises strengthened the analytical framework.

## Acknowledgements

The present thesis would not have been possible to accomplish without the support of many persons and institutions. I would like firstly to express my gratitude to a handful of what I consider friends for life, but also mentors. My supervisor, Professor Francisco Panizza has given me invaluable intellectual and moral support throughout the whole process of writing this thesis and before, when I met him while doing my masters in Comparative Politics (Latin America) here at the LSE. My gratitude goes also to my academic advisor, Professor Jean-Paul Faguet from whom I learnt so much in the process of exchanging ideas about my beloved country, Bolivia, a country to which he has a special affection for. Carlos Toranzo, Moira Zuazo, George Gray Molina and Diego Ayo are more than renowned Bolivian academics that I admire since my early undergraduate years in La Paz. They are also friends and mentors from whom I learnt priceless lessons in the tricky art of thinking Bolivia.

I would also like to thank the team of the Friedrich Ebert Foundation in Bolivia, a special institution occupying a high standing place in the history of Bolivian democracy. FES-ILDIS, as it is known in Bolivia, hosted me as a researcher at different stages of my career. I benefitted from the friendship of all the colleagues I met then and from the support of four of its directors. Yesko Quiroga, Willi Haan, Kathrein Hölscher and Anja Dargatz have always supported my academic objectives and for that, I will always be grateful. I would also like to thank Antonio Aramayo and Marisol Quiroga from UNIR-Bolivia, Alfonso Ferrufino from International IDEA, Carlos Camargo, Alberto García and Fernando García from the UNDP, for their support during my field work between 2012 and 2013. I would also like to thank the people that I interviewed, they are important pieces in the puzzle of Bolivia's contemporary history, and they gave me their time and shared their invaluable experiences with me. I would like to express my special gratitude to Ellie Knott, Maria Carvalho and Ranj Alaaldin for their suggestions to improve the level of English of the present work.

I am one of those lucky persons who met his best friends during childhood and managed to keep their friendship throughout the years, even while doing a PhD, which speaks very well of their affection and patience towards me. Esteban Szasz, Pavel Díaz and Christian

Lünstedt for their support during these decades. I have no words to express how grateful I am to my partner, Janna Miletzki, who gave me emotional support but also helped me with insightful and accurate comments on my work. You turned the worst of moments into the best of times.

I would not be here without the encouragement of my sister Carola Bonifaz and my brother in law, Oscar Montero. Both of them and my brother Miguel always believed in me, and that belief was an invaluable source of spiritual strength. My parents had always supported me in different dimensions. However I would like to thank them for two special things. I learnt from my father the love for books and science, a priceless gift. Finally, I would like to thank my mother for teaching me that dreams can come true if we fight for them tenaciously. I would like to dedicate this thesis to my nieces Camila and Maria Belén and to my nephew, Mateo. I wish them a future in which they can accomplish their own dreams.

## Abbreviations

<b>ADN</b>	Acción Democrática Nacionalista
<b>CA</b>	Constituent Assembly
<b>CD</b>	Constitutional Declaration
<b>CIDOB</b>	Central Indígena del Oriente Boliviano
<b>COB</b>	Central Obrera Boliviana
<b>COMIBOL</b>	Corporación Minera de Bolivia
<b>CONAMAQ</b>	Confederación Nacional de Markas y Ayllus del Qullasuyo
<b>CONALCAM</b>	Consejo Nacional para el Cambio
<b>CONALDE</b>	Consejo Nacional Democrático
<b>CONDEPA</b>	Conciencia de Patria
<b>CSUTCB</b>	Confederación Sindical Unica de Trabajadores Campesinos de Bolivia
<b>FEJUVE</b>	Federación de Juntas Vecinales de El Alto
<b>FSB</b>	Falange Socialista Boliviana
<b>FSTMB</b>	Federación Sindical de Trabajadores Mineros de Bolivia
<b>GIZ</b>	German Federal Enterprise for International Cooperation
<b>ILO</b>	International Labour Organisation
<b>IMF</b>	International Monetary Fund
<b>LCCA</b>	Law for the Calling of the Constituent Assembly
<b>LCFRA</b>	Law Calling for the Referendum on Autonomies
<b>LFNCR</b>	Law for the Need of a Constitutional Reform
<b>LRC</b>	Law for the Reform of the Constitution
<b>MAS-IPSP</b>	Movimiento al Socialismo-Instrumento Político por la Soberanía de los Pueblos
<b>MBL</b>	Movimiento Bolivia Libre
<b>MIP</b>	Movimiento Indígena Pachakuti
<b>MIR</b>	Movimiento de Izquierda Revolucionaria
<b>MNR</b>	Movimiento Nacionalista Revolucionario
<b>MRTKL</b>	Movimiento Revolucionario Tupaj Katari para la Liberación
<b>MSM</b>	Movimiento sin Miedo
<b>NFR</b>	Nueva Fuerza Republicana
<b>OTBs</b>	Organizaciones Territoriales de Base
<b>PIR</b>	Partido de la Izquierda Revolucionaria
<b>PODEMOS</b>	Poder Democrático y Social
<b>POR</b>	Partido Obrero Revolucionario
<b>PPL</b>	Popular Participation Law
<b>RADEPA</b>	Razón de Patria
<b>RN</b>	Revolutionary Nationalism
<b>UCS</b>	Unidad Cívica Solidaridad
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organisation
<b>UN</b>	Unidad Nacional
<b>UP</b>	Unity Pact
<b>USAID</b>	United States Agency for International Development
<b>WB</b>	World Bank
<b>TCOs</b>	Tierras Comunitarias de Origen

## CONTENTS

Chapter One .....	14
Theoretical and Methodological Frameworks .....	14
1. 1 Introduction.....	14
1.2 The Research Question and Hypotheses.....	16
1.3 Explaining the Bolivian State Crisis .....	19
1.3.1 Competing Explanations for the Bolivian State Crisis .....	19
1.3.2 An Alternative Explanation to the Bolivian State Crisis: From the Political Gap to the Gap between Legality and Legitimacy .....	24
1.3.3 Huntington Revisited. Between Historical Sociology and Historical Institutionalism .....	26
1.3.4 A Revised Theoretical Model .....	43
1.4 Methodology and Research Design .....	45
1.5 The structure of the thesis .....	46
 Part I.....	 47
The Gap between Legality and Legitimacy in Bolivia in Historical and Regional Comparative Perspective .....	47
Chapter Two.....	47
The Gap between Legality and Legitimacy in Latin America and its Extreme Manifestation in Bolivia .....	47
2.1 The Legal Country and the real Country: Social Cleavages, Legality and Legitimacy in 19 <sup>th</sup> Century Latin America .....	49
2.2 The Politicisation of the Class Cleavage in the 20 <sup>th</sup> Century and the Rise of Populism .....	53
2.3 The Glocalisation of Social Change in late 20 <sup>th</sup> Century Latin America .....	59
2.3.1 Social Change under Neo-liberalism .....	60
2.3.2 Glocalisation: Decentralisation, Identity Politics and the Structure of Cleavages in the late 1900s .....	63
2.3.3 The new Structure of Cleavages and the Crises of Representation .....	69
2.4 The Politics of Mass Protest, the Fall of Neo-liberalism and the Re-opening of the Gap between Legality and Legitimacy in the 21 <sup>st</sup> Century.....	71

2.5 Conclusions: Why is Bolivia an extreme Case of the Gap between Legality and Legitimacy?.....	79
Chapter Three.....	83
Two Bolivian State Crises in Cross-temporal Comparative Perspective.....	83
3.1 Social Change and the Shifting Salience of Cleavages: From the Primacy of Ethnicity and Regionalism, to the Rise of the Class Question .....	84
3.1.1 Socioeconomic Change in the last Quarter of the 1800s .....	84
3.1.2 Socioeconomic Change in the First Half of the 1900s .....	86
3.1.3 Comparative Analysis .....	89
3.2 Patterns of Politico-institutional Change: Comparing the last Quarter of the 1800s to the second Quarter of the 1900s .....	89
3.2.1 The Shock of the Pacific War and the Rise of Political Parties.....	90
3.2.2 The Shock of the Chaco War and the Rise of Mass Politics .....	92
3.2.3 Comparative Analysis .....	95
3.3 State Crises and the Gap between Legality and Legitimacy.....	96
3.3.1 Polarisation and a Divided Legitimacy in the last quarter of the 1800s .....	96
3.3.2 Polarisation and a Divided Legitimacy in the Second Quarter of the 1900s ....	98
3.3.3 Constitutional Moments and the Gap between Legality and Legitimacy .....	102
3.3.4 Comparative Analysis .....	106
3.4 Conclusions.....	106
Part II .....	110
The Conjuncture that Lasted Twenty Years .....	110
II.1 The Legacies of the Revolutionary Nationalist Political Order .....	110
II.2 The Crisis of Hyperinflation and the Fall of RN.....	113
Chapter Four .....	116
From Modernisation to Glocalisation in Bolivia (1970s-2000s) .....	116
4.1 Socio-economic Change .....	117
4.1.1 External Shock and Shock Therapy: Entering Neo-liberalism .....	117
4.2 Socioeconomic Change under Neo-liberalism.....	119
4.2.1 Development without Growth.....	120
4.2.2 The Moving Middle and the Evolution of Poverty and Inequality .....	121
4.2.3 People on the Move .....	123
4.2.4 A new Geography of Development .....	126
4.2.5 A Tale of Two Cities.....	128



4.2.6 Between Popular Participation and Capitalisation: Further Impulses for Socio-economic Change.....	132
4.3 The Renewed Salience of Ethnicity .....	137
4.3.1 The Limits of Revolutionary Nationalism as an Integrationist Cultural Project .....	137
4.3.2 The Convergence of Multiculturalism and Neo-liberalism in Bolivia .....	137
4.3.3 Intercultural Relations and the Demographic Shift .....	141
4.4 Conclusions.....	148
Chapter Five.....	151
The Shifting Salience of Cleavages and Politico-institutional Change under Neo-Liberalism (1985-1999) .....	151
5.1 From the Fall of Revolutionary Nationalism to the (Re)emergence of Regionalism and Ethnicity .....	152
5.1.1 Ethnicity: From the Collapse of the COB to the Return of the Indio .....	154
5.1.2 Regionalism: From the March to the East to the Rise of Civic Committees..	157
5.2 Disrupted Social Cleavages, Legitimation, and the Evolution of the Party System (1985-1999).....	159
5.2.1 Consolidating Pacted Democracy (1989-1993).....	159
5.2.2 Reforming Pacted Democracy (1993-1995) .....	161
5.3 Decentralisation and its Effects on the Legitimacy of the Party System (1994-1999) .....	167
5.3.1 Re-legitimation. The Political Intentions behind the Decentralisation of Politics .....	168
5.3.2 De-legitimation. The Unintended Consequences of the De-centralisation of Politics.....	170
5.3.3 Decentralised Politics from Below versus Centralised Politics at the Top.....	174
5.4 Conclusions.....	186
Part III .....	188
The Gap between Legality and the Bolivian State Crisis (2000-2008) .....	188
Chapter Six.....	188
The Opening of the Gap between Legality and Legitimacy (2000-2005) .....	188
6.1 The Spiral of De-legitimation of the Political System.....	189
6.1.1 The Crisis of Legitimacy of Representative Institutions (Parties and Congress) .....	190
6.1.2 Decreasing Legitimacy, Increasing Social Protests and Conflicts.....	198
6.1.3 The Collapse of Coalition Governance.....	200

6.2 The Legitimacy Crisis of the State.....	204
6.2.1 From Quantity to Quality in Social Protests and Conflicts: Social Wars and the Rise of the October and January Agendas .....	204
6.2.2 Explaining the Contentious Origins of the October and January Agendas ....	212
6.3 Re-legitimizing the State, bypassing Legality .....	214
6.3.1 The Gap between Legality and Legitimacy and the CA.....	214
6.3.2 The Demand for an Autonomic State and its Legality .....	219
6.4 Conclusions.....	221
Chapter Seven .....	223
Reimagining the Nation: Closing the Gap between Legality and Legitimacy?.....	223
7.1 Two Legitimacies in Course of Collision: From the Ballot Box to the Forum .....	224
7.1.1 From the Implosion to the Polarisation of the Political System .....	224
7.1.2 The Legal Obstacles for the Re-construction of Legitimacy .....	227
7.1.3 The Emergence of a Polarised Political System .....	230
7.2 From the (Parliamentary) Forum to the (Constituent) Forum .....	237
7.2.1 Close to Closing the Gap .....	237
7.2.2 The Constituent Assembly and the Polarisation of the Bolivian Society .....	240
7.3 Imagining Bolivia: Between the Plurinational State and the Autonomic State.....	247
7.3.1 The Political Community: The Legitimacy of the Nation and the State.....	248
7.3.2 Regime Principles .....	249
7.3.3 Regime Institutions .....	250
7.3.4 Local Government .....	252
7.3.5 Regime Performance: The State and the Economy .....	253
7.3.6 Political Actors, Parties and Leaders .....	255
7.4 Conclusions.....	256
Chapter Eight .....	259
In the Name of Legitimacy .....	259
8.1 The Gap between Legality and Legitimacy within the CA: Between the Forum and the Streets.....	260
8.1.1 The Legal Paradoxes of the CA.....	260
8.1.2 Shall we take this outside? Society against Society.....	262
8.1.3 Haunted by the Long Arm of History? .....	264
8.1.4 The Fall of the Constituent Assembly .....	267
8.2 Legitimate Violence: Between Ballots and Bullets .....	271
8.2.1 Legitimacies Competing in the Ballot Box.....	273

8.2.2 Legitimacies exchanging Bullets .....	277
8.3 From the Streets back to the Parliamentary Forum .....	280
8.3.1 The Struggle for Legitimacy Mediated in the International Forum.....	280
8.3.2 The Negotiation Table: the Cochabamba Dialogue.....	281
8.3.3 From Parliament to the Sovereign .....	282
8.4 Conclusions .....	284
Chapter Nine .....	287
Conclusions .....	287
9.1 Findings and Results for Part I.....	294
9.1.1 Explaining the Gap between Legality and Legitimacy in Regional Perspective	294
9.1.2 Explaining the Gap between Legality and Legitimacy in Historical Perspective	295
9.2 Findings and Results for Part II .....	296
9.2.1 Explaining the Re-politicisation of Ethnicity and Regionalism .....	296
9.2.2 Theoretical Implications .....	299
9.3 Findings and Results for Part III.....	300
9.3.1 Explaining the Bolivian State Crisis of 2000-2008 .....	300
9.3.2 Theoretical Contribution and Implications for Democratic Theory .....	302
9.4 Avenues for Further Research .....	303
Epilogue .....	305
Is Bolivia Closing the Gap between Legality and Legitimacy under the Constitution of 2009?.....	305
Social Change under Conditions of Unprecedented Wealth.....	307
Legitimacy and Legitimation.....	309
Legality .....	318
Bibliography .....	321

## LIST OF FIGURES

FIGURE 1 THE STRUCTURE OF LEGITIMACY: LEVELS AND DIMENSIONS .....	33
FIGURE 2 A REVISED THEORETICAL MODEL .....	43
FIGURE 3 TRUST IN CONGRESS IN SOUTH AMERICA (1995-2005) .....	71
FIGURE 4 TRUST IN POLITICAL PARTIES IN SOUTH AMERICA (1995-2005) .....	72
FIGURE 5 THE EVOLUTION OF THE ELECTORAL PERFORMANCE OF THE BOLIVIAN PARTY SYSTEM BETWEEN 1884 AND 1896 (IN %).....	98
FIGURE 6 THE SOCIOPOLITICAL MAP OF BOLIVIA BY 1940 .....	99
FIGURE 7 THE EVOLUTION OF UNEMPLOYMENT AND THE INFORMAL ECONOMY (1985-2006) .....	118
FIGURE 8 THE GAP BETWEEN SOCIAL AND ECONOMIC DEVELOPMENT IN BOLIVIA (1975-2005).....	120
FIGURE 9 THE EVOLUTION OF INEQUALITY IN BOLIVIA (GINI INDEX, 1976-2007) .....	121
FIGURE 10 THE EVOLUTION OF URBANISATION IN BOLIVIA (1960-2008) .....	123
FIGURE 11 PATTERNS OF INTERDEPARTMENTAL MIGRATION IN BOLIVIA (1976-2001).....	125
FIGURE 12 THE EVOLUTION OF HUMAN DEVELOPMENT BY DEPARTMENT (1976-2001) .....	126
FIGURE 13 THE GEOGRAPHIC DISTRIBUTION OF THE HUMAN DEVELOPMENT INDEX BY MUNICIPALITY (2001).....	128
FIGURE 14 PATTERNS OF PUBLIC INVESTMENT BEFORE AND AFTER THE PPL.....	133
FIGURE 15 PATTERNS OF PUBLIC INVESTMENT IN EDUCATION: MUNICIPAL VS. CENTRAL GOVERNMENT.....	134
FIGURE 16 LOCAL VS. CENTRAL GOVERNMENT INVESTMENT BY SECTOR.....	135
FIGURE 17 HISTORICAL LOCATION OF INDIGENOUS PEOPLES VS. PATTERNS OF INTERETHNIC MIGRATION .....	142
FIGURE 18 MAINLY INDIGENOUS MUNICIPALITIES WITHIN THE GEOGRAPHY OF HUMAN DEVELOPMENT BY 2001 .....	147
FIGURE 19 NATIONAL ELECTIONS OF 1989 (ELECTORAL GEOGRAPHY) .....	160
FIGURE 20 NATIONAL ELECTIONS OF 1993 (ELECTORAL GEOGRAPHY) .....	164
FIGURE 21 THE ELECTORAL PERFORMANCE OF THE IU-ASP ALLIANCE BETWEEN 1995 AND 1997.....	172
FIGURE 22 NATIONAL ELECTIONS OF 1997 (PRESIDENTIAL VOTE).....	176
FIGURE 23 THE EVOLUTION OF THE ELECTORAL FRAGMENTATION OF THE PARTY SYSTEM (1997-1999). ..	181
FIGURE 24 THE DIVERGENCE IN THE ELECTORAL PERFORMANCE OF POLITICAL PARTIES AT THE LOCAL AND NATIONAL LEVELS (1985-2002).....	185
FIGURE 25 THE EXTERNAL SHOCK OF THE ASIAN FINANCIAL CRISIS.....	189
FIGURE 26 SHARE OF THE POPULAR VOTE AT THE NATIONAL LEVEL BY PARTY CATEGORY (1985-2002) ..	192
FIGURE 27 THE COLLAPSE OF TRADITIONAL PARTIES IN THE BOLIVIAN EASTERN HIGHLANDS (DEPARTMENTS, 1997-2002) .....	194
FIGURE 28: THE COLLAPSE OF TRADITIONAL PARTIES IN THE BOLIVIAN EASTERN HIGHLANDS (MUNICIPALITIES, 1997-2002) .....	196
FIGURE 29 SOCIAL PROTESTS AND CONFLICTS VS. TRUST IN POLITICAL PARTIES (1982-2011).....	199
FIGURE 30 CONFLICTS, PROTESTS AND PRESIDENTIAL RESIGNATIONS (1982-2007).....	200
FIGURE 31 THE EVOLUTION OF THE TERRITORIAL DISTRIBUTION OF ELECTORAL SUPPORT AT THE MUNICIPAL LEVEL (1999-2004).....	226
FIGURE 32 FROM COLLAPSE TO POLARISATION OF THE PARTY SYSTEM IN TERRITORIAL PERSPECTIVE (1997-2005).....	231
FIGURE 33 NATIONAL ELECTIONS VS. DEPARTMENTAL ELECTIONS OF PREFECTS (2005) .....	233
FIGURE 34 THE ELECTION OF CONSTITUENTS IN TERRITORIAL PERSPECTIVE, 2006.....	242
FIGURE 35 THE REFERENDUM ON DEPARTMENTAL AUTONOMIES AND THE TERRITORIALISATION OF POLARISATION .....	245
FIGURE 36 THE IDEOLOGICAL SPECTRUM VS. THE WEIGHT OF THE PARTIES INSIDE THE CA.....	247
FIGURE 37 PRESIDENTIAL VS. PREFECTURAL RECALL REFERENDUMS, 2008 .....	277
FIGURE 38 CONSTITUTIONAL REFERENDUM OF 2009: RESULTS BY DEPARTMENT .....	283

## LIST OF TABLES

TABLE 1 ELECTORAL POLARISATION IN THE NATIONAL ELECTIONS OF 1951	101
TABLE 2 THE EVOLUTION OF POVERTY REDUCTION IN BOLIVIA (1997-2008)	122
TABLE 3 HDI: SANTA CRUZ, BOLIVIA AND LATIN AMERICA BY 2004	127
TABLE 4 ABSOLUTE NUMBER OF IMMIGRANTS AND EMIGRANTS OF MORE THAN 5 YEARS OLD (CAPITAL CITIES PLUS EL ALTO, 1996-2006)	129
TABLE 5 THE DIVERGENCE IN HUMAN DEVELOPMENT BETWEEN THE MOST POPULATED CITIES (2001)	130
TABLE 6 THE EVOLUTION OF THE USE OF LANGUAGES IN BOLIVIA (1976-2001)	143
TABLE 7 SELF-IDENTIFICATION (INCLUDING THE MESTIZO OPTION)	144
TABLE 8 SOCIOECONOMIC CHANGE AND ETHNICITY IN BOLIVIA (1976-2001)	146
TABLE 9 THE DIVERGENCE IN LEVELS OF LEGITIMACY BETWEEN PARTIES AND LOCAL GOVERNMENTS	180
TABLE 10 THE EVOLUTION OF PUBLIC TRUST IN REPRESENTATIVE INSTITUTIONS VS. THE EVOLUTION OF PER CAPITA GDP (1998-2008)	191
TABLE 11 THE EVOLUTION OF ELECTORAL VOLATILITY AND IDEOLOGICAL POLARISATION (1993-2010)	197
TABLE 12 THE GAP BETWEEN LEGALITY AND LEGITIMACY AND THE CONSTITUTIONAL REFORM (2002-2004)	218
TABLE 13 THE EVOLUTION OF THE AGGREGATED SHARE OF THE VOTES AT THE MUNICIPAL LEVEL (1999-2004)	224
TABLE 14 ELECTED PREFECTS AND THEIR ORIENTATION TOWARDS THE ADOPTION OF AUTONOMIES (2005)	235
TABLE 15 THE PARTISAN COMPOSITION OF CONGRESS, 2005	236
TABLE 16 THE PARTISAN COMPOSITION OF THE CA, 2006	243
TABLE 17 THE LEVELS OF UNCERTAINTY AND FEAR REGARDING THE POLITICAL JUNCTURE BY DECEMBER 2006 (IN %)	262
TABLE 18 ELECTORAL RESULTS: REFERENDUM TO APPROVE THE AUTONOMIC STATUTES	273

# Chapter One

## Theoretical and Methodological Frameworks

### 1. 1 Introduction

After overcoming one of the highest hyperinflations in the world's history<sup>1</sup> and twenty years of dictatorial rule, Bolivia started a profound process of economic and political reforms in 1985. The reforms entailed a transition to an open market economy and the instauration of a liberal-democratic system based on free, competitive, and fair elections, that remained stable for more than 15 years. Hence, by the mid-1990s the Bolivian case was pictured in academic and development policy circles, as one of the most successful cases of democratisation and economic liberalisation in Latin America<sup>2</sup>.

However, between 2000 and 2008, Bolivia experienced a period of deep political instability characterised by: a) a sustained loss of legitimacy of representative institutions – parliament and political parties; b) presidential resignations forced by popular mobilisation<sup>3</sup>; c) massive social protests, unrest, and violent confrontations between civilians<sup>4</sup>.

As the crisis developed, the state's sources of legitimate authority began to be the subject of political contention; entering the state itself into a foundational legitimacy crisis. Throughout the process, I will argue, conflicting agendas for the re-legitimation of the state clashed with the legal structure in place at that moment, **opening a gap between legality and legitimacy.**

---

<sup>1</sup> In 1985, Bolivia experienced an inflation rate of 11,750%, according to Morales and Pacheco (1999).

<sup>2</sup> Writing in 2000, Arendt Lijphart stated that "Since its return to Democracy in the early 1980s, Bolivia [’s political system] has been one of the bright spots of the region" (p. 71) Lijphart mentioned that Linz (1990a, b) coined the term *paralemtarised presidentialism* thinking expressly in the Bolivian case, based on which he envisaged an opportunity for the region to transit from the *perilous* presidential system, towards the *virtuous* parliamentary one.

<sup>3</sup> Popular mobilisations forced Gonzalo Sánchez de Lozada to resign his mandate in 2003 and his successor, Carlos Mesa, in 2005.

<sup>4</sup> In January 2007, the coca growers' movement marched over the city of Cochabamba, asking for the resignation of the Department's Prefect. The urban population answered by confronting the marchers in a clash, resulting in the deaths of 3 people.

This process was also characterised by the apparent (re)emergence of longstanding historic cleavages in Bolivian society – ethnic, regional and class divisions. Two clashing (re)foundational agendas emerged during the crisis. One of them, the so-called *October Agenda*, was contained in the constitutional project upheld by the left-oriented government of the MAS-IPSP<sup>5</sup> and the indigenous-popular bloc of social movements supporting it. This (re)foundational agenda proposed to transform Bolivia into a *plurinational state* in which government should command the strategic sectors of the economy and redistribute its benefits amongst the most vulnerable sectors. On the other extreme we can find the so-called *January Agenda*,<sup>6</sup> which proposed the transition towards an *autonomic state*, an agenda embedded in the autonomic statutes drafted by the civic-regional bloc of social and political forces of the eastern departments of the country, known during the period as *the half moon*<sup>7</sup>. These contending actors agreed to re-legitimise the state by calling for a Constituent Assembly (CA), to accommodate these agendas within a new constitution.

In other words, the CA was supposed to be the place in which the gap between legality and legitimacy would be closed. Nevertheless, because the gap between legality and legitimacy replicated itself within the CA, the parts failed to agree on the procedures by which decisions would be taken. Thus, the CA failed in its objective to reach a new constitutional consensus, engulfing the country in a cycle of violent polarisation. After international mediation, the government and the parliamentary opposition agreed on a new constitutional project that partially accommodated both agendas and was approved, in a referendum, by more than 60% of the electorate. The present thesis was motivated by an enquiry into the causes of the state crisis that Bolivia experienced between 2000 and 2008.

Although Bolivia seemed to be a very stable democracy during the 1990s, and it was intriguing to see its sudden descent into intense political violence in the 2000s; the Bolivian state crisis represents an extreme manifestation of a regional trend during the late 1990s and early 2000s. Against the background of an economic crisis, many governments that implemented neo-liberal policies suffered from sudden declines in their levels of popular

---

<sup>5</sup> Movimiento al Socialismo-Instrumento Político por la Soberanía de los Pueblos.

<sup>6</sup> See Chapter Five for an account of the rise and content of the *October* and *January Agendas*.

<sup>7</sup> The term *half moon* refers to the shape of the three departments of the eastern lowlands –Santa Cruz, Beni and Pando– and the southern department of Tarija, for an observer of a map of Bolivia.

support throughout the region. Massive protests affected Ecuador and Argentina between 1997 and 2003, forcing pro-market rulers to abandon power. Ecuador and Venezuela also experienced constitutional and state crises. However, only in Bolivia the crisis reached such intensity as to bring the country to the verge of a civil war.

The existence of a gap between legality and legitimacy reflects a longstanding institutional deficit of the region's political systems to mediate fundamental social conflicts originated in the impact of social changes on the social, regional and, in some cases ethnic cleavages that characterise its countries. This gap comes to the fore in critical junctures, many times triggered by external shocks. However, as it is concluded in Chapter 2, the Bolivian case represents an extreme manifestation of this dynamic because of the particular structure of its cleavages. Bolivia is one of the most unequal countries in the region; it is the only country with a highly mobilised indigenous majority and the only country in which economic power shifted from one region to another twice in the course of the 20<sup>th</sup> century. Social change has impacted these cleavages with unusual intensity, velocity and volatility in the country's history. Moreover, the particular way in which political actors and political institutions failed to adapt and absorb these changes, by representing and transforming de-legitimation and re-legitimation discourses into legal reforms, is the key factor for explaining why Bolivia is an extreme case of the gap between legality and legitimacy, and why it deserves to be analysed in depth. The extreme manifestations of the gap between legality in Bolivia explains the country's unflattering record of having the highest number of *coups d'état* in South America, and its third place when it comes to the number of constitutional changes (Cordeiro, 2008; Lehoucq and Pérez-Liñán, 2014).

## **1.2 The Research Question and Hypotheses**

Against this background, the present thesis has aims at answering a puzzling question:

*Given the apparent success of the country in achieving political and economic stability after the neo-liberal reforms; how can we account for the foundational crisis of the state and political institutions in Bolivia between 2000 and 2008?*

In order to answer this question, I should firstly address whether there was a state crisis in Bolivia between 2000 and 2008.



My theoretical point of departure is Weber's concept of the state as an organised group of people that, within a given territory, "successfully upholds the claim to the monopoly of the legitimate use of physical force in the enforcement of order" (1968:54). Secondly, following O'Donnell (2004; 2010), I sustain that the mentioned monopoly should be, in a constitutional democracy, upheld by a legal system, which is a constitutive part of the state itself. This system is a "cascade of legally dispensed authorisations [that] gives the state its empirical and conceptual unity" (O'Donnell, 2010:119). It is important, however, to understand these categories are ideal types or ideas of the state and legality that must be contrasted with the actual dynamic in which state-society relations operate in each society. These relations play out through a complex process of "ongoing struggles among shifting coalitions over the rules of daily behaviour" (Migdal, 2001:11). In a very similar vein, North et al. (2006) address the historical process by which the state seeks to reach a monopoly of violence, as characterised by the construction of ever changing power coalitions. Following from the above, the present thesis adopts a process-oriented approach to the state and its relation to society, in which different coalitions of actors struggle to bridge the gap between the idea and the practice of state-building.

Furthermore, as pointed out by Fukuyama (2011), we should also acknowledge that legality and democracy are not synonyms. Only progressively the idea of the state, a coercive institutional apparatus that rules over a territory, has intersected with the ideas of legality, first, and democracy later. The combination of the three elements gave way to what O'Donnell calls *Estado democrático de Derecho*, namely an institutional setting in which

"...the law is indispensable to the rulers, in that they are prohibited from changing or ignoring it at their whim; they can only do it by following procedures that are themselves legally ruled...[and adopted] in a peaceful way to solve the paramount problem of who will make binding decisions at this complex and dangerous association, the state, and how they will be made" (O'Donnell, 2010:98-99).

In an *Estado democrático de derecho*, the procedures for the adoption of these decisions tend to include, as much as it's possible, those who are going to be affected by the decisions enacted as laws. Depending on the ability of the above-mentioned coalitions to adapt to social change and its consequences, the emergence of new actors, democratic states move closer or farther to the ideal of a legality based on a broad popular support, namely

legitimacy. Through the creation of coercive and legal/institutional devices underscored by a broad base of legitimacy, the relative strength of these coalitions *vis-à-vis* internal and external actors, increases or decreases. In short, state crises are trajectory changes which undermine a coalition's ability to consolidate a legitimate monopoly of violence. More importantly, state crises are moments in which "politics becomes a struggle over the basic rules of the game rather than allocation within a given set of rules" (Krasner, 1984:234). In constitutional democratic setting, thus, state crises will be characterised by the opening of a gap between the legality and the legitimacy of the state and political institutions. In this critical periods, thus, states lose their capacity to create and sustain support for the legal norms they produce.

Against this background, we can affirm that, between 2000 and 2008 Bolivia experienced a state crisis characterised by:

*A progressive crisis of legitimacy of the political system. This was reflected in the low levels of popular support for parliament and the political parties who governed the country through coalitions, since 1985, as well as in their declining electoral performance vis-à-vis the emergence of anti-systemic parties and movements which instituted themselves as legitimate channels for (re)foundational demands.*

*A decrease in the state's capacity to control violence. The number and violence of social conflicts and protests increased throughout this period; whereas the state's coercive apparatuses became progressively ineffective to control such dynamics.*

*The re-emergence of quasi federal claims from both extremes of the socio-political spectrum. Contending demands for political decentralisation towards the departmental level and for indigenous autonomies aimed at reconstituting pre-colonial territories, re-emerged on the extremes of the aforementioned socio-political blocs.*

*The re-emergence of **the national question**. At both extremes of the socio-political spectrum, the project of building a mestizo/Bolivian nationality, hegemonic since the 1952 Nationalist Revolution, was challenged by the demand for a plurinational state, on the one hand; and through a radical revision of the status of the Bolivian low-lands as a separate nation, within a sector of the civic-regional bloc.*

*A rupture of the constitutional system of rules by these clashing legitimacies. During the critical period, the mechanisms through which the aforementioned demands were adopted bypassed the substantial and formal rules contained in the legal system of the country.*

The main hypotheses through which this research explains the Bolivian state crisis are:

H1) The crisis was the result of a socio-political dynamic by which the state and political institutions were increasingly unable to process social conflicts and demands within the constitutional order; triggering, as a result, the opening of a gap between legality and legitimacy.

H2) This process can, in turn, be explained by the relations between: a) the impacts of four decades of rapid social change in the structure of cleavages – ethnic, regional and class – of the Bolivian society; b) the disjuncture between the volume, rate and pace of political participation, enlarged by the process of decentralisation implemented in 1994, and the centralised internal structure of the political parties. c) The interaction between a) and b) created a bottle neck effect that blocked the possibility to process these disrupted cleavages within the formal political institutions. Therefore, these institutions faced a crisis of legitimacy.

H3) The state crisis of the 21<sup>st</sup> century is related to a broader long-term pattern. Earlier waves of modernisation triggered a disjuncture between legality and legitimacy that later led to state crises. The legacies of these crises interacted with the state crisis of 2000-2008 when new socio-political blocs in conflict resorted to latent political discourses, repertoires of collective action and informal institutions, to legitimate their position in this new struggle for hegemony.

## **1.3 Explaining the Bolivian State Crisis**

### **1.3.1 Competing Explanations for the Bolivian State Crisis**

We can characterise the debate regarding the Bolivian state crisis as mostly immersed in a tradition of explaining current events through long standing factors. Hence, these

explanations are focused more on continuity than on change and are marked by what Theda Skocpol (1980) has called *genetic determinism*<sup>8</sup>.

In an attempt to grasp these debates between contested versions of the Bolivian (un)resolved tensions, Crabtree and Whitehead (2008) identified the 2000-2008 critical events as responses “to a set of much deeper historical issues arising from the country’s pattern of economic and political development” (p: 5).

On the one hand lay explanations that assign a particularly resilient character to one of Bolivia’s historical cleavages. Regarding the ethnic divide, Xavier Albó (2008a) states that despite some attempts to include indigenous peoples since the 1952 nationalist revolution, the Bolivian state basically preserved its colonial structure, turning indigenous peoples, at best, into second class citizens. According to this interpretation, every critical juncture in which class, regional or economic struggles took place had been essentially a re-enactment of the long standing ethnic divide. In a similar vein, Álvaro García Linera (2003) establishes a line of continuity between the colonial legacy of the country and the historic dislocation between a monocultural and monoethnic state and a plurinational society. The state crisis experienced since 2000 would be another episode of the historic contradiction between the traditional elites and the *plebeian* indigenous-popular block.

From a similar departure point, but with a less ethnic-centered explanation, Luis Tapia (2002; 2010) claims that Bolivia is marked by a *multisocietal* condition in which the country’s social formation is characterised by the coexistence of modern and pre-modern forms of production and political organisation. In addition, a patrimonial oligarchy would have built patterns of domination linked to the international capitalist market, in a subordinated way. If any advances had been made in the construction of a strong and inclusive state in Bolivia in 1952, they were reversed by the (re)emergence of this elitist sector in the neo-liberal period.

Using a class-oriented analysis, Carlos Arze (2008) addresses the issue of the relation between neo-liberalism and globalisation as a link that would have enhanced the

---

<sup>8</sup>According to Skocpol, genetic determinism refers to a “tendency to say that earlier, and ultimately the earliest, happenings, determine what comes later” (P.192).

relationship between powerful transnational economic actors and traditional local elites. The neo-liberal reform in Bolivia, under these conditions, restored “the domination of sectors of the oligarchy which...subscribe to the notion that the country’s only development option is to align itself to international capital, dedicated to the exploitation of raw materials and...cheap labour, orienting them toward international markets” (p. 252). Thus, since 2000, Bolivia would be experiencing a re-enacted chapter of the classic contradiction between these extractive and export oriented oligarchies and the popular classes.

Regarding the regional question, José Luis Roca (2008) points out to regionalism as the main contradiction of the Bolivian state. At different moments in time, a relatively weak central government was challenged by powerful regions, in a struggle for hegemony. This would explain the so-called *Federal War* between La Paz and Sucre in 1899; and the Bolivian state crisis since 2000. The difference would be that in the latter case, the confrontation took place between La Paz (west) and Santa Cruz (East), and not between North and the South, as happened in 1899. This conflict “involves rivalries between two regions which – each in its own way – are fighting for supremacy to run the country or to preserve what they possessed for over a century” (p. 81). Hence, what appears to be a complex process in which ethnic, class or rural-urban cleavages interact at the same moment, would be, for Roca, just a re-enactment of the unresolved regional question.

The common denominator of these analyses is their tendency to overemphasise historical continuities as the key variables explaining the last Bolivian state crisis. However, these explanations fail to answer some questions: Why is it that different crises showed different patterns of conflict? For example, why was the ethnic cleavage so salient in 1899 and 2000 and not in 1952? Why was the regional cleavage also more relevant in those episodes and not in 1952? Furthermore, why did the class question managed to, apparently, displace the other two cleavages in 1952? Why, since 2000, do we observe the (re)emergence and convergence of all of the cleavages at once? These explanations fail, I argue, because they are an attempt to explain what has changed, based on what has not changed.

At the other extreme of explanations for the Bolivian crisis, we find a set of analyses that address change in a partial way, underlining the successful democratisation effects of the

1980s reform. However, they fail in answering why, if these reforms were so positive, they faced a legitimacy deficit that led, in the end, to a state crisis?

Carlos Toranzo (2008; 2009) and Diego Zavaleta Reyes (2008) focus on ethnicity, criticising how the debates on ethnicity painted a Manichean picture in which the *white* vs. *indigenous* divide explained, by itself, the state crisis. The politicisation of these extreme positions and the underrepresentation of the existence of a *mestizo* culture would lie behind the polarisation faced by the country since 2000. For Zavaleta Reyes, urbanisation and the geographical and cultural proximity it entails, would have created a fluid multiplicity of ethnic, regional and economic identities. Hence, the politicisation of the ethnic cleavage oversimplifies a debate and underlines what divides Bolivians, over what unites them.

Regarding the regional issue, Rossana Barragán (2008) takes issue on Roca's explanation. According to Barragán, if there have been historical tensions between the central governments and relatively strong regions, they have shifted throughout the 20<sup>th</sup> century, from a north-south to an east-west orientation. However, in every moment the centre has supported the economies of the poorer regions. The rise of Santa Cruz as the richest department of the country in the last four decades would be a direct result of a continued policy of resource transfers from the central government to the department since 1952.

Finally, regarding the economic side of the neo-liberal reform, Juan Antonio Morales (2012; 2008) underlines the fact that the reforms of the mid 80s in Bolivia helped the country to insert itself “into international markets for trade and investment” (p 236). The sharp increase in the natural gas reserves of the country and the diversification of the economy through the agro-industrial complex of Santa Cruz, would be by-products of those reforms. However, despite this partial success, these reforms took place in times of “unfavourable terms of trade and progressive disenchantment among the people concerning the lack of results and the failure to honour promises to make the model acceptable” (p. 236).

A common characteristic in these explanations is that they address change incompletely, focusing on particular areas – economic, cultural and politico-institutional; therefore, their reach is limited and to some extent their limitations are at the opposite end of those mentioned above. In other words, they claim that the Bolivian state crisis was the cause of

the inability of Bolivian society to sustain the positive effects of the economic and political reforms of the 1980's and 1990s. Although I acknowledge that positive changes sustained the stability of the country between 1985 and 2000, these explanations are even less successful in accounting for the outcome of the crisis. In other words, if positive change was taking place, what explains the legitimacy crisis of the state and political institutions, and the fall of neo-liberalism in Bolivia?

There is a more complete vein of analysis which focuses on the relation between social change and the Bolivian state crisis. The Human Development Report for Bolivia (HDRB, 2007), takes as a starting point in the *state with holes* hypothesis, according to which, historically, weak elites negotiated authority, legitimacy and legality with strong though fragmented social, territorial and ethnic groups

Since the 1970s, though, the Bolivian society has experienced profound social changes. A key driver in explaining this transition would be a double dynamic of change from a predominantly rural to an urban society, against the background of an important migration wave from the western highlands to the eastern lowlands of the country. Furthermore, the diversifying dynamics in the socio-economic structures and the impact of globalisation on them would be consolidating “the emergence of new social and economic actors” (p.62). Hence, we need to understand the relationship between these new actors and their relative positions in the equation of power that seems to have changed recently. What is the relation between these patterns of social change and the Bolivian political process?

Gray Molina (2008) advanced a possible answer to this question by stating that Bolivia is reaching a critical point in regards to its capacity to tackle the “new challenges raised by an increasingly mobile, intercultural, and globalised population” (p.123).

A yet more similar vein of explanation of the latest patterns of political change in Bolivia is contained in Philip and Panizza's book: *The Triumph of Politics. The Return of the Left in Venezuela, Bolivia and Ecuador* (2011). In their work, the authors recognise the relevance of Huntington's (1968) work, which is foundational for the present thesis' theoretical framework. More specifically, the authors use the concept of mass praetorianism as a theoretical template to explain political change in the countries studied in their book. Nevertheless, I think that their explanation falls short in identifying a causal link between

the advent of a political crisis marked by mass praetorianism, and the outcome of the rise of left-oriented governments.

I believe that Gray Molina's and Philip/Panizza's work are important contributions to the explanation of the Bolivian crisis as a product of social and political change. However, I think that they fail in pointing at concrete politico-institutional mechanisms through which these changes occurred.

Even though in an almost unanimous way, the explanations of the Bolivian state crisis identify the starting point of the process in a legitimacy crisis of the political system. What's more, even though they all recognise that the design of a new constitution has been a defining factor of the outcome of the process; they don't seem to assign any further role to legitimacy, or its relation to legality in explaining the crisis.

In order to fill the aforementioned gaps in the literature, I will analyse the Bolivian state crisis from the perspective of the relationship between social change, legality and legitimacy. I believe that beyond the introduction of a novel explanatory account of the Bolivian case, the present study will shed light on a regional and global trend. In the last two decades, from the Andes in the late 90s, to Egypt during the *Arab spring*, we have been witnessing a progressive disjuncture between two contending understandings of democracy. There is a growing distance between those who understand that democracy is mainly about the popular legitimization of government – be it expressed through elections, plebiscites, referendums or popular mobilisation, and those who think that democracy is primarily about the rule of law. The present thesis seeks to deepen the debate on the determinants of this growing gap and its implications for the theory of democracy and democratisation.

### **1.3.2 An Alternative Explanation to the Bolivian State Crisis: From the Political Gap to the Gap between Legality and Legitimacy**

In order to provide a better explanation of the Bolivian state crisis, I follow Samuel Huntington's (1968)<sup>9</sup> study on the relationship between social change under modernisation,

---

<sup>9</sup> Political Order in Changing Societies.



political institutions and instability. Huntington elaborated on Lerner's concept of modernisation, according to which, modernisation is

“a multifaceted process involving changes in all areas of human thought and activity... [whose main manifestations would be] urbanisation, industrialisation, secularisation, democratisation, media participation. [These processes have always been] so highly associated as to raise the question whether they are genuinely independent factors at all... suggesting that perhaps they... go together” (Quoting Lerner, 1968:33).

However, contrary to many modernisation scholars of the 1960s, Huntington did not think about modernisation as a coherent cluster that moves in one direction. For Huntington, modernisation must be grasped in terms of the different areas in which it takes place: economic, social, political and cultural. The emergence of national markets, economic growth and social mobilisation, the centralisation of political authority, the increasing participation of the population in political activities, and the introduction of new symbolic patterns of socialisation are the main characteristics of this complex process. However, the pace and rates of change in these areas are not synchronic and they can even collide. Socioeconomic transformations doesn't necessarily converge with cultural change. Inglehart and Welzel (2005) underline, in similar terms, the fact that the rhythm in which values and beliefs change is much slower than the rhythm of socioeconomic change

One of these tensions or gaps is **the political gap**, a conflictive process between modernising areas, in which *de facto*

“...political participation is growing more rapidly than *the art of associating together*. Social and economic change... extends political consciousness, multiplies political demands and broadens political participation. These changes undermine traditional sources of political authority and traditional political institutions; they enormously complicate the problem of creating new bases of political association and new political institutions combining *legitimacy*<sup>10</sup> and effectiveness” (Huntington, 1968: 5).

Huntington concludes that the result of this disjuncture is socio-political instability, because the mediation devices to channel conflict and transform demands into collective decisions, namely institutions, are not complex, autonomous, coherent and flexible enough to absorb the pressure of new groups and social forces trying to represent a new balance of powers. In sum, “the disjunction in rates of change between institutions and the external

---

<sup>10</sup> Emphasis added.

environment then accounts for political decay or deinstitutionalisation” (Fukuyama, 2011:450), not because of the absence of modernity, but actually because of the efforts to reach it.

For Huntington, different institutions had tried to cope with this problem that he labelled the political gap. State bureaucracy and the military are modern candidates for the task. However, political parties and political party systems would be the most adequate institutional devices to organise the ever-increasing participation of ethnic, societal, territorial and ideologically-oriented groups resulting from the process of modernisation. Political parties would be able to balance participation and institutionalisation if their organisational structures and leadership can create a balance between mobilisation and organisation.

Furthermore, party systems, which are more than the mere sum of the existing parties in a polity, but the patterns resulting from their interaction, constitutes a second layer of institutional arrangements to represent the forces emerging from the process of modernisation. The legitimacy of the political party system can be measured, by its capacity to institutionalise social mobilisation at the aggregate level. However, we should keep in mind that, in the last decades, there has been a deterioration of the capacity of political parties to represent important pockets of the electorate (La Palombara, 2007). In other words, political parties are experiencing de-institutionalisation, a feature that makes necessary to revisit Huntington’s theory in the 21<sup>st</sup> century.

### **1.3.3 Huntington Revisited. Between Historical Sociology and Historical Institutionalism**

As a point of departure, I share Huntington’s focus on understanding the relation between social and politico-institutional change. However, Huntington wrote *Political Order* in 1968, and over the decades his ideas have been adapted to changing contexts and conditions. In the 1970s, one of the building blocks of Huntington’s theory, the idea of mass praetorianism, was used by Guillermo O’Donnell to explain the emergence of a particular type of authoritarianism in Brazil, Argentina, Chile and Uruguay. According to O’Donnell (1973, 1977), these countries experienced important social transformations during the mid-20<sup>th</sup> century, which in turn gave way to the emergence of complex private and public

organisations. To sustain its legitimacy, the state redistributed economic resources amongst these sectors. However, as the rates of growth declined, these powerful organisations engaged in redistributive struggles and the state lost control of both allies and adversaries. These conflicts polarised these societies to an extreme. Finally, the economic elites and the middle classes turned “to the armed forces [in search] of a last bulwark against social disintegration...and the communist threat” (Ibid:57). This gave way, as is discussed in Chapter 2, to the rise of the so-called Bureaucratic-Authoritarian-States. During the 1990s, O’Donnell developed a further analysis with Huntingtonian overtones, as several new Latin American democracies suffering from long-term socioeconomic crises, experiencing what he called legitimate delegation. Electoral support led to the concentration of power in powerful presidents, which seemed very democratic in the short term but undermined the constitutional limits to power, which secure the sustainability and quality of democracy, in the long run. He labelled these regimes as *delegative democracies*.

During the 1980s and 1990s, Huntington’s ideas were adapted by one of his pupils, Fareed Zakaria (Philip and Panizza, 2011), who coined the term illiberal democracy. According to Zakaria, the existence of competitive and multi party elections in a country will inevitably increase the levels of political participation. However, electoral mobilisation under these conditions will not be conducive to a stable political order if it overrides the institutions of constitutional liberalism, in charge of protecting the autonomy of the individual (Zakaria, 2003) and the rights of minorities. When social mobilisation channelled through electoral institutions outpaces the rule of law, the result is the rise of illiberal democracies.

As we mentioned before, this line of argumentation has been continued by Philip and Panizza (2011) to explain the rise of leftist regimes in Bolivia, Ecuador and Venezuela in the first decade of the 2000s. According to these authors, the concept of mass praetorianism resonates with their explanation of the waves of “social mobilisation that effectively brought down the constitutional orders of Bolivia and Ecuador” (Ibid:178). Although the authors mention that a wave of mobilisation, carried out at the fringes of legality characterises their case studies, they didn’t explain the causal relationship between social mobilisation and the constitutional crises observed in their analyses. This is why, in the present thesis, I investigated deeper into the relationship between social mobilisation and

the rule of law, through the link between legality and legitimacy. I have done so through an extended literature review in which I combined two theoretical approaches to complement Huntington's theory: historical sociology and historical institutionalism.

Historical sociology aims at the explanation of the trajectories of state development. This approach, furthermore, traces "the transformation of the state through class conflict, in order to explain how democracy – which [the approach] identifies as a state transformation – has sometimes emerged" (Grugel, 2002:52). Historical sociologists analyse the political systems of different countries in "relationship to broader questions of social power" (Ibid). For example, the seminal piece of Rueschemeyer, Stephens and Stephens: *Capitalist Development and Democracy* (1992), analyses the outcome of democracy as the consequence of a class conflict stemming from the impact of capitalist economic change in societies. This conflict, furthermore, given a particular configuration of the relative strength and autonomy of the state, and the dynamics of transnational power structures, would lead to different outcomes in different states. I consider more than relevant for the present thesis to see the Bolivian state crisis as the outcome of a particular interaction between social change, social conflict and the state. However, as shown before, it would be overtly simplistic to see class conflict as the main driving force of political change in Bolivia. Territorial and cultural cleavages are constitutive to the country's socio-political development as I show in the present work. These conflicts respond not merely to changes in the economic system but also to broader cultural and social transformations which had unsettled the relative position of ethnic groups, classes, and regions in the balance of powers.

It would be, furthermore, extremely deterministic to see the outcome of a state crisis as the result of the impact of social changes in society. If continuity cannot explain the crisis by itself, because it cannot explain change, change in itself is also not a sufficient condition to explain why a crisis erupts at a particular point in time and not in other. Therefore, I have combined the historical-sociological approach with a historical-institutionalist one. When Huntington developed the political gap hypothesis, he stressed the fact that it occurred when political institutions lacked the necessary flexibility, adaptability, coherence and complexity to adapt to social change and mobilisation. However, he never addressed the

question of why is it that political institutions showed such apparent time lag in an environment changing at an accelerated pace?

I believe that, despite the importance of noting the diachronic dynamics regarding the relationship between social and political change, Huntington's approach corresponds to a functionalistic approach to institutions, a characteristic that has also been raised as a criticism to historical sociology (Grugel, 2002). To better understand the gap between legality and legitimacy in Bolivia, thus, we need to take into account elements of timing and sequence in our analysis. The literature on historical institutionalism focuses on the dislocations between continuity and change. Therefore, I will insert elements of the historical institutionalism approach to complement Huntington's theory, applied to the present analysis of the Bolivian state crisis. In sum, I focused my revision of Huntington's theory through the incorporation of historical sociology and historical institutionalism.

### **The political gap and the complexity of political institutions**

When Huntington referred to political institutions he seemed to understand them as a consistent whole; this because, according to Fukuyama (2011), he was referring more concretely to the process of state-building rather than to the process of democratisation. However, the state-building process is highly complex in itself; there are tensions and different dynamics within the polities – i.e. between centre and periphery or between sub-national levels in federal systems. Therefore, political institutions can collide with each other depending on their relative adaptation to the shifts in the formation of power-coalitions under conditions of social change.

We cannot regard a modernising state and its political institutions as a coherent entity. On the contrary, especially in the so-called developing societies, state bureaucracies can be depicted as a *melange* of organisations (Migdal, 2001), partially shaping and partially shaped by cultural, territorial and functional organisations competing to regulate social interactions. The state and its bureaucracy, therefore, tend to accommodate, coordinate or to enter in conflictive relations with these entities. Many times, the bureaucracy itself is captured in a power struggle between centre and periphery, and many times, bottom-up changes in these bureaucratic agencies bring changes into the state structure at the aggregate level.

Hence, disjunctures between social change and political institutions take place within specific organisations, at different paces and with different intensities. This point is relevant to study the Bolivian case, since as we mentioned above, the relative weakness of the Bolivian state has been identified under the categories of “a state with holes” (HDRB, 2007), or what Zavaleta Mercado has called “an apparent state”, because of its lack of adaptability to a complex and motley reality (2008). In the present thesis, against the background of a weak state and rapid social changes, the disjuncture between the development of the party system and the process of decentralisation is the key component of the model explaining the Bolivian state crisis between 2000 and 2008.

Finally, it is important to place this part of the debate within the process of democratisation. The process of state-building has been taking place before the modern waves of democratisation. Democratisation is a process by which the population of the states had acquired self-consciousness about their role as “the source and justification of the powers that coordinate, organise, facilitate, and sometimes oppress their lives....,[namely] the reason or proper source and the justification of state and governmental powers and authority” (O’Donnell, 2010:211). In a democracy, the roles of the ruler and the ruled tend to coalesce. One important issue about the emergence of modern democracy is that, after democratisation, legitimacy has muted from being a device used to ensure power, into a source of political power in itself.

Historically, state-building and democratisation adopted different trajectories; many times, clashing with each other and giving way to tensions between states and societies, between state institutions and democratic institutions, and between the centralisation and decentralisation of state power.

### **The importance of legitimacy and legitimation**

A second observation on Huntington’s work is that he does not point out, expressly, to the idea of legitimacy as an important element articulating the socioeconomic and the political spheres. In his work, Huntington mentioned the importance of the legitimacy for the institutionalisation of political institutions. Furthermore, he defines institutions as “stable, **valued**, recurring patterns of behaviour’ (1968: 12), but he did not address legitimacy as an indicator of the institutionalisation of political organisations.

Referring to one of the attributes of political institutions to provide for political stability, Huntington addressed the issue of legitimacy without using the term as such. Huntington refers to coherence as one of the components of political institutionalisation, according to which, in order for a political organisation to be effective it requires **a substantial consensus over the functional limits of the group, and its procedures to resolve disputes within**, shared by those who participate in the system. Moreover, a rapid increase in the number of members of an organisation or the participants in a system tends to weaken its coherence (Ibid).

According to Fukuyama (2011), legitimacy is the transmission belt that connects social mobilisation to the rule of law. Elections, the growing capacities for communication and deliberation within civil societies and the influence of both elements in the formation of democratic governments constitute the connectors between legitimation and the law. Hence, bringing legitimacy as a determining factor in structuring the relationship between political institutions and social change, is one of the contributions that this thesis aims at. Lipset (1959) conceptualised legitimacy as one of the necessary conditions for the existence of democracy. According to him:

“Legitimacy involves the capacity of a political system to engender and maintain the belief that existing political institutions are the most appropriate or proper ones for the society. The extent to which contemporary democratic political systems are legitimate depends in a large measure upon the ways in which the key issues which have historically divided the society have been resolved” (p. 86).

Following from this, thus, crises of legitimacy are crises related to social change in a way that is especially sensitive for democratic institutions. Hence, by tracing the patterns of social and political change faced by the Bolivian society in the last decades, and their disjunctures, we will be able to understand why and how the Bolivian state suffered an acute legitimacy crisis.

How can we identify, however, how legitimate an institution or a regime is? Is a massive turnout in elections a measure of the high legitimacy of a political party system? Is a massive demonstration against a regime a measure of its lack of legitimacy? If so, how many people in the streets are necessary for such a demonstration to speak about a legitimacy crisis? If authorities were elected by a majority of votes, but massive

demonstration calls for their resignation before the end of her term in office, does it entail that they have lost legitimacy? I will address these difficult questions considering the new developments in the literature on legitimacy, to bring conceptual clarity to the theoretical framework.

Firstly, it is important to differentiate between a normative and an empirical understanding of legitimacy. Normatively speaking, legitimacy is a quality of a political institution or actor, a quality by which these entities justify their right to rule (Hurrelman et al. 2007). The sources of legitimacy may vary, depending on the society; from a divine right, passing through the will of the people, the *community of destiny* or the commands of a religious faith. Since modernisation brought about patterns of complexity in terms of the sources of legitimacy, it is very difficult nowadays to assess the legitimacy of an institution or authority in normative terms, especially because the accelerating process of social change creates contentious normative legitimacy claims.

Hence, it is easier to analyse legitimacy in empirical terms. According to this approach we should focus on the process of legitimation. Legitimation is a two-way process through which political actors and institutions try to create and sustain the belief in the rightfulness of their right to rule *vis-à-vis* a society which is constantly, by different means, endorsing or withdrawing support to these justificatory claims. The relations between political institutions and societies would be characterised, from this perspective, as a constant process of legitimation, de-legitimation and re-legitimation.

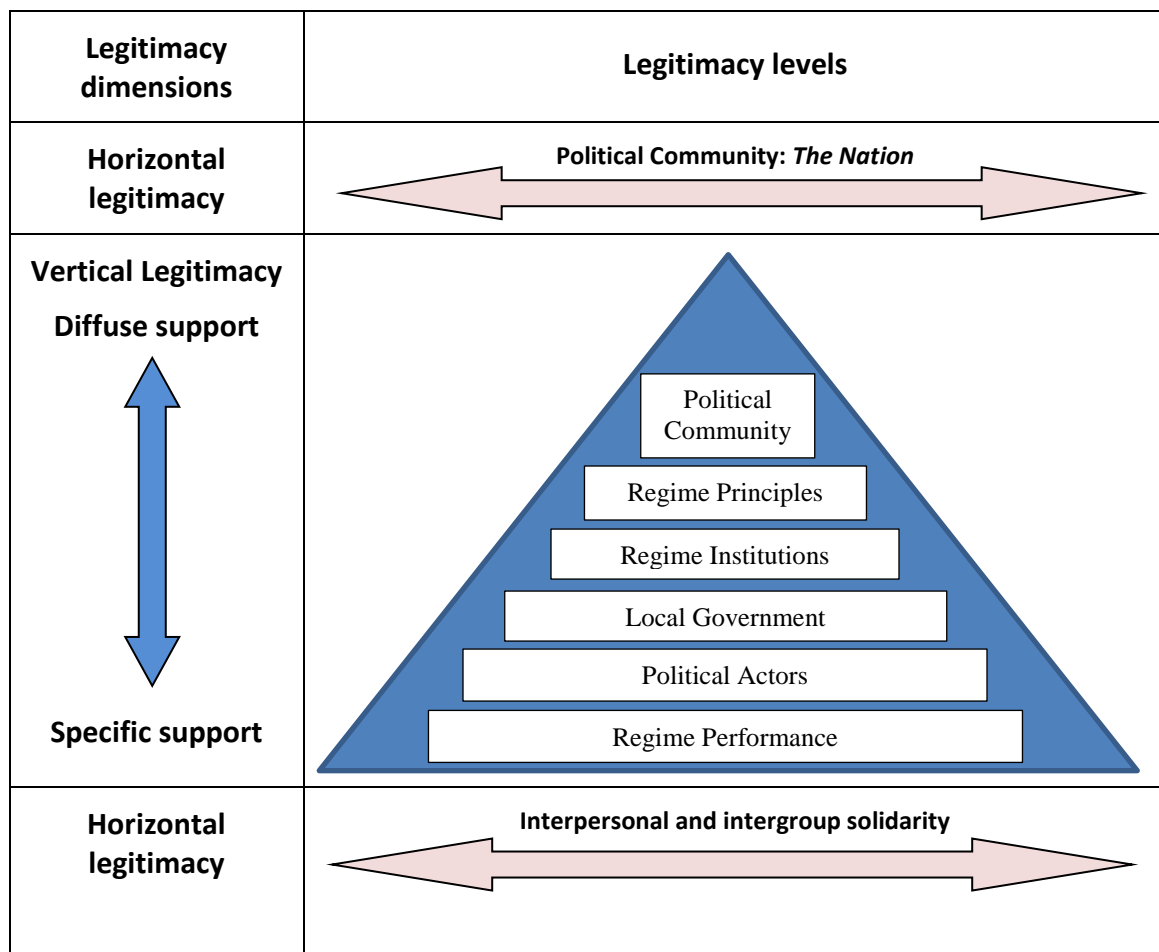
Secondly, the scholarship on legitimacy and legitimation has advanced a second strategy to measure legitimacy. Acknowledging its multifactorial character, different authors had elaborated on a multi-level and multidimensional structures of legitimacy. The strategy is to assess the legitimacy of political entities at different levels, namely the legitimacy of political actors, local governments, the regime performance, institutions, principles, the political community, and how they interplay, horizontally, from the more concrete, moving upwards, to the more diffuse support, as shown in Figure 1.

The present thesis adopts an empirical approach to legitimacy, keeping in mind however, that this approach will always be in relationship to normative claims to the right to rule in constitutional democracies. This interaction operates through the agency of old and new



actors and elites who *translate* their interpretation of social changes into political discourses, through which they will try to legitimate themselves as rule makers better suited to bring political order to the new contextual conditions. Even though I acknowledge the rationale behind Lipset's general definition of legitimacy, I believe it is important to elaborate on the nuances of what legitimacy means at different levels and dimensions in the structure. In the next paragraphs, I will elaborate on the levels and dimensions of legitimacy depicted in Figure 1.

### Figure 1 The Structure of Legitimacy: Levels and Dimensions



Source: Own elaboration based on Eston, 1975; Holsti, 1996; Norris, 1999; and Booth and Seligson, 2007

The legitimacy of the political actors refers to the ability of political organisations and leaders to engender public support, and it's normally measured by their electoral performance and the state of the public opinion towards them. Performance legitimacy refers to the capability of the state apparatuses at different territorial levels, to deliver public

goods in accordance to the population's demands and the requirements of socioeconomic development. This type of legitimacy is related to economic policy and to the economic performance of the states, and has been an important source of changes in the global political economy<sup>11</sup>.

Institutional legitimacy and the legitimacy of the regime's principles, in a democratic regime, are related to the existence of an overarching agreement about the rules and "political procedures to produce an elected government...that is the direct product of a free and popular vote" (Linz and Stepan, 1997:1).

The legitimacy of the state or political community, according to Migdal the most powerful factor in determining the strength of the state, "involves an acceptance of the state's rules of the game, its social control...[and] the symbolic component that the rewards and sanctions embody..." (Migdal, 2001:52). We should add to these legitimacy levels in their vertical structure, following Holsti, the dimension of horizontal legitimacy.

Horizontal legitimacy entails "the capacity of the state to command loyalty" (Holsti, 1996:82), to create a set of bonds and commitments between the individuals and groups that belong to a political community, bonds that constitute the sources of a national identity. On the other hand, this type of legitimacy also entails a set of interpersonal and intergroup interactions and a mutual recognition of individuals and communities. "Horizontal legitimacy refers to the attitudes and practices of individuals and groups within the state toward each other and ultimately to the state that encompasses them" (p. 87).

Some societies have strong national identities; they can also encompass strong levels of horizontal legitimacy at the interpersonal and intergroup levels, which are reflected in higher levels of interpersonal trust and a dense civil society (Putnam, 1993). "If the various groups and communities within the polity accept and tolerate each other, horizontal legitimacy is high...If communities, in contrast, seek to exclude, marginalise, oppress, or exploit others within the same state, then there is low horizontal legitimacy" (Holsti, 1996:

---

<sup>11</sup> Fukuyama underlines, as an example, how the financial crisis of 1929-1931 undermined the legitimacy of certain capitalist institutions, giving way to a more salient role of the state in the economy under Keynesian institutions. The demise of the welfare state, in turn, undermined the legitimacy of this model, opening the door to the so-called neo-liberal institutions under Thatcher and Reagan, by the mid-1970s.

87-88). These levels of horizontal legitimacy vary, as well, depending on the process of social and political change impacting political communities from without or within (i.e. wars, internal and external waves of migration, etc.).

The legitimacy of the local government encompasses, at least, the levels of public support for the local political leaders and parties, the local government's performance in the delivery of public goods, as well as the horizontal strength of the interpersonal and inter-group solidarity. Different factors such as the existence of a differentiated ethnic community concentrated in a particular locality, the existence of eminently local political parties and organisations, interregional economic inequalities, and differences in the effectiveness in the allocation of public goods between the national and the local level can create competitive or centrifugal dynamics of legitimation between regions or between the local and the national governments. These dynamics played an important role in explaining the Bolivian state crisis between 2000 and 2008.

A legitimacy crisis at the bottom of the pyramid can lead, in the form of a spiral of de-legitimation, to a state's legitimacy crisis. However, each level in the structure has a semi-autonomous volume of legitimacy, depending on the ability of institutions and actors to adapt to social change. In fragmented societies or moments of polarisation, different institutions and leaders can advance competitive legitimating discourses, aggregating the support of different parts of society in a way that could, eventually, lead to a clash of legitimacies.

For the purpose of the present research, the importance of differentiating between legitimacy levels and dimensions in a structure resides in the fact that, through the emergence of new actors, social change creates new linkages between the sources of legitimacy, the process of legitimation and political institutions at different levels. Furthermore, democratisation institutionalises the above mentioned interaction, and relies on legitimacy as the main source of power. Thus, by understanding the interaction between the different legitimacy levels in the structure in the Bolivian case, we can better apprehend the way in which social change alters the balance of powers in a society, and how these changes can trigger a state crisis.

## **The importance of the relationship between legality and legitimacy**

The Bolivian state crisis under study in the present thesis has been marked by the opening of a gap between legality and legitimacy. In order to understand this phenomenon, it's thus important to conceptualise legality. In the present research, I will address legality through the idea of the rule of law. Legality as the rule of law refers to a hierarchical system

"...usually crowned by constitutional norms, that aims at yet never fully achieves completeness. This means that the relationships among legal rules are themselves legally ruled, and that there is no moment in which the whim of a given actor may justifiably cancel or suspend the rules that govern his or her actions. No one, including the most highly placed official, is above the law" (O'Donnell, 2004:34).

The rule of law, furthermore, can be defined as a system of rules with the following characteristics:

1.All laws should be prospective, open and clear; 2.Laws should be relatively stable; 3.The making of particular laws...must be guided by open, stable, clear and general rules; 4.The independence of the judiciary must be guaranteed; 5. The principles of natural justice must be observed (i.e., open and fair hearings and absence of bias); 6.The courts should have review powers...to ensure conformity to the rule of law; 7.The courts should be easily accessible; and 8. The discretion of crime preventing agencies should not be allowed to pervert the law (O'Donnell, quoting Raz, 2010:95).

After giving a close look to the definitions quoted above, it is clear that no mention is made of the need for popular support for the system of laws as a constitutive characteristic of the rule of law. The rule of law has autonomous and instrumental benefits (Shapiro, 2011) for the solution of collective problems, which are not necessarily dependent on the acceptance of a society of the system's rules. In other words, legality can be assessed without referring to the actual belief in these rules by society. This has been acknowledged as a positivist view of the law. Nevertheless, historically as well as conceptually, the idea of the rule of law has had clear political implications since it is related to the state and its exercise of power. The legal system, in a constitutional democracy, is "an aspect of the overall social order that in principle brings definition, specificity, clarity and thus predictability into human interactions" (O' Donnell quoting Finnis, 2004:35). The rule of law is, hence, directly related to state-society relations and to the exercise of power in as much it prescribes that "all persons and authorities within the state, whether public or private should

be bound by and entitled to the benefits of laws publicly made, taking effect (generally) in the future and publicly administered in the courts” (Bingham, 2010:8).

Since legality and legitimacy are constitutive of state-society relations and the exercise of power, they partially overlap. Therefore, it is necessary to explain the process through which legitimacy is related to the legal structure of a society. An extreme positivist approach to legality establishes that such a relationship is not necessary to account for the validity of law. The validity of law can be sufficiently explained in relation to a superior law, in a regression whose end is the ground norm, namely the constitution of the state (Kelsen, 1960). However, in a system such as democracy, in which a representative body crafts the law – parliament – which authority derives from its electoral legitimacy, such an extreme legal positivism cannot hold.

It is of worth noting, furthermore, that even Kelsen recognised that the “legal order of the state must be efficacious in order to exist [despite the fact that its] internal structure of validity does not derive from such efficacy and is irreducible to it” (quoted by Cohen, 2012:31). Friedrich Von Hayek, on his critique to legal positivism, elaborated on this point by stating that:

“the authority of a legislator always rests...on a common opinion about certain attributes which the laws he produces ought to possess, and his will can obtain the support of opinion only if its expression possesses those attributes...As dictators themselves have known best at all times, even the most powerful dictatorship crumbles if the support of opinion is withdrawn” (2013:88).

H.L.A. Hart, a positivist legal scholar himself, elaborated on the evolution of modern legal systems. Every society, according to him, elaborates rules which “contain in some form restrictions on the free use of violence, theft, and deception to which human beings are tempted but which they must, in general, repress, if they are to coexist in close proximity to each other” (Hart, 1994:91). However, conflict will always arise between those who accept and those who reject these rules. In other words, there will always be a tension between those who regard these rules as legitimate and those who don’t. If those who accept the legitimacy of the system of rules that had been elevated to the status of law were a majority of the population, the system will be more efficacious, and its efficacy will rest on its legitimacy and not in coercion, which is the other pillar of legal efficacy.

Conceptually, hence, there is a partial articulation between legality and legitimacy. "... Legitimacy is not the same as legality, being in accordance with a body of recognised law. The law may be a source of legitimacy, and legitimacy may be one important underpinning of law, but the two do not always coincide" (Bernstein and Coleman et al. 2009: 5). Legitimacy renders a legal system more effective because people follow the rules without the need of high levels of coercion from the state. On the other hand, a legitimacy deficit in the institutions in charge of translating demands into laws would render the legal system ineffective, since it would have to rely more on coercion to enforce the law and, by doing so, it would alienate broader sectors of the population outside the law's sphere of influence, entering in a vicious circle.

The evolution of the rule of law also stems from complex historical processes. It took centuries and important political conflicts in Europe – between monarchs and the landed elites, and between the monarchy and the church, in order for a "body of abstract rules of justice [that] binds a community together" (Fukuyama, 2011:245) to emerge. O'Donnell (1999) has made a cross-regional comparison between Europe and Latin America in this respect. According to his account, Europe developed the rule of law and the civic rights related to it, many decades before it conceded universal political rights to its population. Hence, in Europe, the sequence of the relation between the rule of law and democracy would have been: strong state-rule of law-democracy; on the other hand, Latin America states still struggles to extend their bureaucratic capacity throughout their territories. It is within this unfinished consolidation of its statehood, in which grey areas exist (Ibid), areas where local elites and/or indigenous communities' social orders contest formal legality. Against this background, political rights, at least in terms of the universal suffrage, had been granted to the whole population in the last decades. Thus, the aforementioned sequence, in Latin America, would be: weak state-democracy-incomplete rule of law. This is a fertile soil for the gap between legality and legitimacy to develop when popular leaders, in moments of social change, manage to build electoral majorities to endow themselves with legitimacy, undermining however, the legal and institutional structure of the system in order to advance political objectives (O' Donnell, 1994; Panizza, 2000).

In an ideal constitutional democracy, thus, legitimacy transforms into legality as the political system transforms demands into legal norms and legally bounded policies. At the top of the system, legitimacy should articulate to legality within a constitution in which the legitimacy of the state is represented in a set of foundational and substantive principles, functional rules and procedures to organise the state and its territory. According to Linz and Stepan, the idea of the rule of law implies “a relatively strong consensus over the constitution and especially a commitment to self-binding procedures of governance that require an exceptional majority to change. It also requires a clear hierarchy of laws, interpreted by an independent judicial system and supported by a strong legal culture in civil society” (1997:10). The legality of the constitution, in turn, will rely on the fact that it will posit itself as the source and limit of laws and executive decisions, specifying the procedures to enact and change the law and the constitution itself.

Therefore, a gap between legality and legitimacy is a manifestation of a disjuncture between social change and the political institutions’ capacity to transform it into legal change. Against the background of being a historically weak state containing a society divided along ethnic, regional and societal cleavages, Bolivia has experienced intense social changes triggered by waves of modernisation and, in the last decades, *glocalisation* (Robertson et al. 1995). Furthermore, the processes of democratisation and decentralisation adopted by the country increased the political participation of the population and the importance of legitimisation in the equation of power. I will argue, consequently, that the disjuncture between democratisation and decentralisation, in the context of rapid social changes, paved the road for the opening of a gap between legality and legitimacy, and a state crisis. Hence, I consider it important to reframe Huntington’s concept of the *political gap* and to adopt, instead, the more adequate category of the gap between legality and legitimacy to explain the Bolivian state crisis between 2000 and 2008.

### **The importance of time and sequence for the study of institutions**

Political institutions, from a historical perspective, are more resilient to change than economic institutions, because of the inner logic of politics. According to Pierson, politics is characterised by “the absence or weakness of efficiency-enhancing mechanisms of competition and learning; the shorter time horizons of political actors; and the strong status

quo bias generally built into political institutions” (2000: 257). Hence, once a path is adopted, the institutional structure will reproduce itself in the deployment of legitimization discourses, strategies and mechanisms, which in turn will be enforced by an ever greater network of coercive organisations, officials and procedures, turning very difficult the task of institutional change. As we analysed in the previous section, the relationship between legality and legitimacy can be virtuous. However, when competitive sources of legitimacy struggle to place themselves as more adaptable to change, the outcome will be a gap between legality and these competing legitimacies. This gap, what’s more, can sustain itself as path dependent trend, regardless of its evident inefficiency to organise the overall social system.

In periods of critical junctures, the relationship between formal/legal institutions and informal ones is disrupted by changing conditions. Formal institutions are those written and public rules of behaviour sanctioned and enforced by official channels (North, 1990; Levitsky and Helmke (2004, 2006). Informal institutions, on the other hand, are “unwritten codes of conduct that underlie and supplement formal rules” (North, 1990:4) and that are communicated and sanctioned outside the official channels (Levitsky and Helmke, 2004; 2006). Not all formal rules are laws, but by their very nature all laws are formal rules; on the other hand, many informal institutions can be contradictory to the laws, and in some instances more legitimate than them. The impact of social change on both types of rules can result in the opening up of a gap between legality and legitimacy, creating the space for a challenger’s coalition of actors to dispute the right to rule. These challengers, through contentious engagement, will struggle to re-create a new articulation between legality and legitimacy.

One caveat, though, should be inserted into our understanding of institutionalism change. Institutional change does not entail a complete rupture between periods of reproduction and critical junctures. The idea of a complete dichotomy between institutional stasis and complete collapse should be understood as an ideal type made of two extremes in a continuum. In reality, institutions adapt and evolve during periods of reproduction and some institutional features survive the critical junctures. Some institutions are transformed to serve new purposes – institutional conversion – or partially integrate new institutions –



institutional layering (Thelen, 1999); whereas others absorb conflicts between new and old actors by slowly redirecting their trajectories and functions (Acemoglu and Robinson, 2012)

In order to carry on my analysis of the Bolivian state crisis in light of Huntington's theory; I will use a historical institutionalism approach. This because Huntington's analysis could not account for why, according to his theory, political institutions experienced a time lag, in comparison with the more rapid rates of social change in the rest of society. The literature on path dependency, applied to political science, is able to explain the particularly resilient character of political institutions, be they formal or informal. Secondly, I identified a failure in the literature explaining the Bolivian state crisis because it either overemphasises continuities, or because it fails to account comprehensively for how the changes experienced in Bolivia during the last decades, impacted the underlying cleavages of the Bolivian society. Therefore, I adopted an approach that integrates the processes of institutional change via crisis and adaptive reproduction in a non-exclusive manner. Finally, given that legality and legitimacy are constitutive to the literature political-institutional development; and because I already identified a failure in Huntington's account of these elements in his model; I addressed the Bolivian state crisis between 2000 and 2008 using the framework of the gap between legality and legitimacy.

### **The importance of the study of the structure of cleavages under conditions of social change (From modernisation to *glocalisation*)**

The fifth observation to Huntington regards to the fact that there has been a paradigm shift in the patterns of social change since Huntington published *Political Order*; this paradigm shift being related to the transition from modernisation to globalisation/*glocalisation*, which in turn has shifted the salience of different social cleavages around the world. Fukuyama (2011) points out that two contextual factors have changed dramatically since 1968: the process of globalisation and the impressive and sustained economic growth experienced by the world population in the second half of the 20<sup>th</sup> century. Globalisation "implies a stretching of social, political and economic activities across frontiers such that events, decisions and activities in one region of the world can come to have significance for individuals and communities in distant regions of the globe" (Held et al. 1999).

Furthermore, during the same period in which globalisation has been taking place, we have also witnessed a large-scale process of decentralisation of the state's authority and bureaucratic responsibility. According to Faguet (2012b), from the 1960s onwards, around 80% of all the countries in the world have experienced some sort of devolution of powers towards sub-national territorial entities. In some cases, this process has happened in a top-down manner; however, in many others, the devolution of power has been a response from the centre to demands from groups challenging the legitimacy of the state based on economic, identity, territorial, religious or other legitimating claims. Hence, contemporary social change is marked by the combination of globalisation and localisation; or what Robertson (et al.1995) labelled as *glocalisation*, namely a “compression of the world [that] has involved and increasingly involves the creation and incorporation of locality, processes which themselves largely shape, in turn, the compression of the world as a whole” (p.40).

The process of social change experienced by Bolivia in the last decades is, to a large extent, tributary of these *glocal* trends, although these trends have intersected historical *domestic* trajectories. The global diffusion of identity politics experienced globally as the result of the collapse of communism had also had important effects in the empowerment of hitherto excluded indigenous groups. Transnational networks of NGO's and other actors from the so-called *global civil society* (Kaldor, 2006) also played an important role in the process of indigenous empowerment. Similar analyses can account for the rise of new social and political actors such as the coca growers, new urban social movements, the eastern lowland regions of the country and others, as will be shown in the course of this thesis. In sum the Bolivian state crisis between 2000 and 2008 will be addressed against the contextual background of the patterns of social change and their shift from modernisation to *glocalisation*.

The different episodes of state crises in Bolivia had been directly related to the impacts of different waves of modernisation and, later on, *glocalisation*. These changes disrupted the structure and dynamics of Bolivia's longstanding cleavages – ethnic, regional and class – in the present century. Lipset (1985) argues that conflict is a normal feature of any social system; however only a few of these tend to polarise the politics of entire societies. “There is hierarchy of cleavage bases in each system and these orders of political primacy not only



- a) Against the background of the existence of three historical cleavages in Bolivia, namely ethnic, regional and class divisions, the country experienced different waves of incremental and sudden socio-political changes. These changes have disrupted the relative positions of socio-economic sectors, regions, and ethnic groups within the structure of cleavages, giving way to its politicisation and the rise of social conflicts.
- b) Bolivia experienced incremental socio-economic changes experienced between 1976 and 2000, which in turn were amplified by the implementation of the neo-liberal reforms resulting in: i) modest but sustained economic growth, ii) sustained social development, iii) mostly urban poverty reduction, iv) growing social inequality and inequality between the rising eastern low-lands and the depressed Andes, v) the transition from a predominantly rural towards a predominantly urban society and vi) the empowerment of different indigenous groups by their engagement with international and transnational networks of support for their collective rights.
- c) The politico-institutional change experienced in Bolivia between 1985 and 2002 was characterised by: i) A progressive change in the balance of powers with the emergence of new elites and socio-political actors along the lines of the structure of cleavages, as a result of ii) The instauration of a moderate multi-party political system and a *parlamentarised presidentialism* (*pacted democracy*); iii) the process of decentralisation of the state promoted through constitutional and legal reforms which re-territorialised the country in 311 autonomous and elected municipal governments and the establishment of Simple Majority Districts (SMDs) for the election of half of the legislative lower chamber; and iv) a progressive decline in the legitimacy of the political party system and the parliament because of its impossibility to adapt to i) and iii).
- d) Neo-liberalism and *pacted democracy*, on the other hand, was impacted by i) the *Asian crisis* of 1999-2001, which in turn triggered the Bolivian state crisis between 2000 and 2008.

The State crisis experienced in Bolivia between 2000 and 2008 can be explained by the concatenated relationship between b) and c), and later by the sudden impact of d) on a), opening **a gap between legality and legitimacy**.

## **1.4 Methodology and Research Design**

In the present thesis, I will use the method called process tracing in order to apply my revised version of Huntington's theory to the Bolivian case. Process tracing is useful to study:

“a case into a sequence (or several concatenating sequences) of events and showing how those events are plausibly linked given the interests and situations faced by groups or individual actors...Process tracing involves making deductions about how events are linked over time, drawing on general principles of [the social sciences]” (Goldstone, 2003:47-48).

Furthermore, since process tracing “involves identifying the causal mechanisms that link explanatory variables with an outcome variable” (Mahoney, 2003:363), the expected result of the use of this method is the possibility of identify a set of concatenated causal processes and mechanisms explaining the Bolivian state crisis in the light of:

- 0) Contextual Conditions:** Assessing the Bolivian state crisis in the broader regional context and in relation to the historical patterns of political development of the country.
- 1) Explanatory variable 1:** The sequences of incremental socio-economic change since 1976.
- 2) Explanatory variable 2:** The sequences of incremental politico-institutional change since 1979.
- 3) Exogenous variable (trigger):** The shock caused by the impact of the Asian financial crisis in the Bolivian economy
- 4) Intervening causal mechanism:** **The opening of a gap between legality and legitimacy and its installation as the driving force of the overall social order.**
- 5) The Outcome variable:** The Bolivian state crisis (2000-2008).

To identify and explain these causal mechanisms, I developed a set of indicators for each of them. See Annex 4 for a further elaboration of these indicators.

## **1.5 The structure of the thesis**

Part I of the thesis, composed by Chapters 2 and 3, situates the case study in regional and historical context. In Part II of the thesis, composed by Chapters 4 and 5, I address the impacts of the socioeconomic and political changes experienced by the country since 1976, in relation to the shifting structure of cleavages and its implications for relationship between legality and legitimacy. In Part III I analyse the the gap between legality and legitimacy and the Bolivian state crisis of 2000-2008. In Chapter 6 I focus on the opening of the gap by 2000, which gave way to the emergence of re-legitimizing discourses of state re-foundation that clashed with the legal structure of the state. In Chapter 7 I focus on the period 2006-2007, in which there was an attempt to close the gap through the calling for a CA. In Chapter 8, I analysed and explained the failure of the CA in closing the gap between legality and legitimacy, which in turn led to the deepening of the state crisis. In Chapter 9 I conclude by presenting the main methodological, theoretical and empirical implications.

## Part I

### **The Gap between Legality and Legitimacy in Bolivia in Historical and Regional Comparative Perspective**

#### **Chapter Two**

##### **The Gap between Legality and Legitimacy in Latin America and its Extreme Manifestation in Bolivia**

*Our territory is inhabited by a number of races speaking different languages and living on different historical levels. A variety of epochs live side by side in the same areas or a very few miles apart, ignoring or devouring one another ... Past epochs never vanish completely, and blood still drips from all their wounds, even the most ancient.*

Octavio Paz, *Labyrinth of Solitude* (quoted by Silvia Rivera Cusicanqui, 1990)

Latin American politics are shaped by a longstanding history of estrangement between legality and legitimacy. Periodically, this distance manifests itself with different levels of intensity. In colonial times, the gap adopted the form of the unwritten rule: *se obedece pero no se cumple*, to obey but not to comply. This refers to the practice by which local authorities in Latin America, while acknowledging the formal validity of the laws given to them by the Spanish crown, deemed them inapplicable to the socio-political conditions on the ground. During independence, the emerging states approved ambitious constitutions inspired by liberal principles and institutions. However, it was soon evident that a gulf separated the *legal country* and the *real country*. These constitutions were unable, for several decades, to establish institutional mechanisms to address regional, ethnic and socioeconomic cleavages. These tensions were rooted in the region's geographic fragmentation and the lack of connectivity, ethnic heterogeneity and extreme levels of inequality inherited from the hierarchical and compartmentalised social structure established under colonial rule.

Later on, many countries partially accomplished a closure of this gap, by enlarging the basis of citizenship. However, class conflicts emerged as by-products of the export-led modernisation cycle experienced in the region between the 1850s and the 1930s and these could not be absorbed through constitutional means, especially when the *Great Depression* shocked the region. This gave way to a protracted cycle of military and civilian dictatorships, punctuated by short democratic recoveries, between the 1930s and the early 1980s. Populist leaders and dictators sought to re-shape the relationship between the state and society in a corporatist manner, to suppress class conflicts and de-legitimise leftist movements. Through this process, many countries developed an institutional dualism by which constitutions and informal corporatist institutions coexisted.

When the continent experienced the so-called *Third Wave of Democratisation*, it was assumed that the context was favourable to close of the gap between legality and legitimacy through a combination of representative democracy and free-market reforms. However, the impacts of globalisation and the social effects of neo-liberalism, gave way to the re-emergence of the social question, and, in some cases, to a new politicisation of ethnic and regional divides. The gap between legality and legitimacy was then re-opened as several countries experienced waves of mass protests, the rise of anti-systemic movements, forced presidential resignations and constitutional crises. In many countries constitutions were unlawfully reformed or radically changed.

Why is that Latin American politics are marked by the gap between legality and legitimacy? I argue that the gap results from a longstanding institutional deficit of the region's political systems by which they cannot mediate fundamental social conflicts, which originated from the impact of social changes on the longstanding class, regional and ethnic cleavages. Throughout Latin American history, waves of social change unsettled and politicised one or more of these cleavages and gave way to the emergence of de-legitimising and re-legitimising coalitions. Constitutional changes were unsuccessful attempts made by the winning coalitions, at closing the legitimacy gap that re-opened as a result of further social dislocations and political challenges.

The main objective of this chapter is to situate the Bolivian case in the regional context outlined above, in order to explain why it deserves in-depth scrutiny. Bolivia represents an



extreme case of the gap between legality and legitimacy, which explains the country's unflattering record of registering the highest number of *coups d'état* in South America, and Bolivia's third place when it comes to the number of constitutional changes (Cordeiro, 2008; Lehoucq and Pérez-Liñán, 2014). Moreover, together with Mexico and Cuba, Bolivia is one of the few countries that experienced a proper social revolution.

I will argue that Bolivia is an extreme case of the disjunction between legality and legitimacy that characterised the region because of a constellation of factors, including i) the peculiar structure of ethnic, regional and class cleavages present in Bolivia; and the ii) intensity, velocity, and volatility in which social change historically impacted on them. Moreover, these factors must be analysed in conjunction with political factors. In the end, it is iii) the way in which political actors and institutions reacted to these changes, the key to explain why countries like Bolivia experienced state crises; whereas others did not.

The present Chapter is divided in three sections. In the first section I will analyse the dynamics of social change and the gap between legality and legitimacy in 19<sup>th</sup> century Latin America, a period characterised by the politicisation of regional and ethnic cleavages. In the second section, the analysis will focus on the relationship between legality and legitimacy *vis-à-vis* the politicisation of the class cleavage, in detriment of class and ethnicity, between 1930 and 1980. In the third section, the analysis focuses in the effects of the wave of social changes experienced in the region in the last decades of the 20<sup>th</sup> century. The chapter surveys their implications for the gap between legality and legitimacy in the 21<sup>st</sup> century, as ethnic, regional and class cleavages were re-politicised, giving way to a wave of mass protests across the region. In the three sections, I highlight the extreme manifestations of the gap between legality and legitimacy in Bolivia.

## **2.1 The Legal Country and the real Country: Social Cleavages, Legality and Legitimacy in 19<sup>th</sup> Century Latin America**

Latin America suffers from long-standing “class, ethnic and regional fragmentation” (Whitehead, 2006:72). The weight of each of these cleavages varies depending on how they play out in each country. Furthermore, the political salience of one or a combination of them has been influenced by the impacts of evolutionary and/or sudden social changes, triggering gaps between legality and legitimacy at different points in time.

The gap between legality and legitimacy marks Latin America's patterns of political change from its very beginnings. We can even interpret the advent of independence as the outcome of a gap between a long-standing monarchical legality and competing re-legitimation discourses. These originated with the Bourbon's modernisation reforms, and became politicised by the external shock of the French invasion to Spain in the early 1800s.

When Napoleon deposed the King of Spain, the empire was in a constitutional limbo (Mirow, 2012). The emergence of pro-independence movements in America and liberal reformist in Spain was an attempt to fill this legitimacy vacuum. In both sides of the Atlantic, conservative sectors saw the Catholic Church as the only alternative source of legitimacy; whereas the liberal camp advocated for the transition to a constitutional monarchy. Between 1808 and 1825, the landscape of America resembled a patchwork of territories ruled intermittently either by independent states or the crown. Furthermore, Spain itself oscillated between the constitution approved in 1808 by the French invaders and the constitution of Cádiz approved by the Spanish Cortes, in 1812. The constitution of Cádiz was abolished by Fernando VII in 1814, just to be reinstated in 1820. By that time, however, Rio de la Plata, Chile, parts of Venezuela and New Granada were already independent. In other words, after the fall of the Spanish King, "it was unclear to whom power in the colonies devolved" (Ibid).

The constitution of Cádiz was an attempt to close the gap between legality and legitimacy by the Cortes. Representatives from Spain and America negotiated a constitution that reflected a balance of powers between liberalism and conservatism. After the constitution of Cádiz failed to take root, the tension between these ideologies was transferred to Latin America. This conflict adopted its particular shape in the region when the conflict between liberals and conservatives interplayed with the region's ethnic, regional and social cleavages.

At independence, Latin America's constitutions were not grounded on a "stable consensus across the whole of society" (Whitehead, 2006:70), which gave way to the early detachment between the *legal* and the *real* country. The legal country represented a minority of citizens, often divided behind regional and ideological lines. The real country contained these divisions, on top of a layer of conflicts related to the high levels of inequality and

disconexion between the elites and the popular sectors, as well as ethnic tensions in some countries. The task of re-legitimising political order was particularly difficult where the war of independence was longer, like Bolivia. A long war “not only delayed the achievement of consolidation, but prolonged fighting and extensive destruction of the economy... [and propelled] military leaders into a more prominent role in post-independence politics” (Rueschmeyer, Stephens and Huber, 1992:63). In sum, at independence, Latin America was marked by a wide gulf between the legality and the legitimacy of political order, and Bolivia suffered from an extreme manifestation of this problem.

Throughout the 19<sup>th</sup> century, the unresolved issue of the state’s legitimacy in Latin America adopted the form of a bitter divide between Liberal/Federalists vs. Conservative/Unitarians. This divide interplayed with regional, ethnic, and social conflicts. Finally, a third layer of complexity was added to these dynamics as social changes, resulting from the internationalisation of the economy, shifted the relative positions of regions, ethnic groups and socioeconomic sectors in the balance of powers.

During the 1800s, Mexico, Argentina, Colombia, Venezuela and Bolivia experienced civil wars over the unsettled issue of whether the state should adopt a unitary or federal form. This conflicts masked, in part, tensions between the elites in the centres and peripheries (Gargarella, 2013). Ethnic violence also erupted where indigenous communities were important for the political economy of state-building. Argentina and Chile waged wars against their indigenous communities to grab their lands and increase the output of their agricultural and mineral exports to Europe and the USA (Bulmer-Thomas, 2014).

At independence, Perú and Bolivia were highly dependent on the so-called *Indian Tribute*. However, as their economies became more reliant on minerals, these states adopted aggressive policies to disposes indigenous lands (Dawson, 2011). Bolivia’s Federal War, to be analysed in Chapter 3, stands out as a peculiar episode. As opposed to what was happening elsewhere in the region, where states tried to suppress the ethnic cleavages by dissolving indigenous communities, the ethnic cleavage in Bolivia actually gained salience by interplaying with the regional divide. This happened when a federalist/liberal party, allied with the indigenous communities to secure a military victory against a conservative government. Ethnic and regional cleavages were disrupted by the sudden rise and fall of the

silver economy, in the late 1800s. These cleavages were politicised when the party system to adapt to these changes, opening later a gap between legality and legitimacy.

“Latin America produced more than 100 constitutional texts in the nineteenth century” (Mirow, 2015:145). Behind this apparent constitutional chaos, three sources for the legitimization of the state and political institutions were competing for supremacy: a liberal project, a conservative project and a less successful republican/radical project (Gargarella, 2013). These agendas were upheld by actors directly affected by the profound social changes taking place at the time. The liberal project was upheld by new elites connected to export-oriented cities and regions, many of which challenged the historical primacy of colonial capitals; politicising the regional divide. The radical project, many times upheld by *popular caudillos* “adopted an egalitarian attitude toward disadvantaged groups that at the time were usually ignored, installing an early discussion of the social question” (Ibid:17).

The conservative project proposed to legitimise the Latin America states, according to Catholic moral values, and advocated for territorial centralisation. The constitutions of Chile – 1823 and 1833, Colombia – 1843 and 1886, Mexico – 1843 and Peru in 1839 are clear examples of constitutional conservatism. The liberal project envisaged moral neutrality and the separation of powers, limits to the executive branch and its decentralisation through federalism. Liberal constitutions were drafted in Argentina – 1826, Chile – 1828, Nueva Granada – 1830 and 1832, Mexico – 1824 – and Perú – 1823 and 1828. Finally, the republican/radical project envisaged political majoritarianism and moral populism, the decentralisation of the state and even federalism. Several *heroes* of the wars of independence shared these views, so did many *popular caudillos* claiming to follow their legacy, although few constitutions adopted them (Gargarella, 2013).

The struggle between these competing legitimacies became a vicious circle because, unable to secure clear popular support, the struggle for legitimization turned violent. Once a political faction won in the battle field it rushed to approve a new constitution to close the gap and cement its victory. However, since rival segments of the population opposed this agenda, and larger segments did not participate in politics whatsoever, these new constitutions lacked legitimacy and, therefore, efficacy. These constitutions were soon perceived as

illegitimate and challenged by the previously defeated legitimization discourse, resuming the cycle of legitimization and violence.

However, by the end of the 19<sup>th</sup> century most constitutions accommodated the conservative and liberal projects, establishing religious tolerance without affirming state neutrality. They set up a system of checks and balances, partially biased towards presidentialism. At least formally, they established a balance between centralisation and decentralisation. Some countries adopted federalism but gave important powers to the centre; whereas others created centralised structures, opening spaces for decentralisation (Ibid). These constitutions finally generated enough stability and legitimacy amongst the elites, partially closing the gap between legality and legitimacy

## **2.2 The Politicisation of the Class Cleavage in the 20<sup>th</sup> Century and the Rise of Populism**

Between the second half of the 1800s and the 1930s, the apparent closure of the gap between legality and legitimacy, created the conditions for socioeconomic growth and further social changes. By 1925, for example, 25% of the Latin American population lived in cities (Cerrutti and Bortoncello, 2003), particularly in Argentina, Chile and Uruguay (Durand et al. 1965). This *export boom* transformed Buenos Aires into an industrial centre and one of the largest cities in the Americas. The city attracted 800,000 immigrants during these years, growing to over 1.6 million” (Dawson, 2011:116). These workers represented two thirds of the skilled labour force and 80% of the unskilled labour force. Migrant workers were also important in cities like La Havana, Sao Paulo, Rio de Janeiro, Caracas and Montevideo (Ibid). Similar waves of industrialisation and urbanisation were at play in Medellin, Mexico City and Monterrey.

In Argentina and Uruguay, urbanisation and industrialisation gave way to the emergence of large middle classes between 1910 and 1920. “Civil society became stronger and the weight of the middle and lower classes in the power balance increased. Through the formation of unions and political parties...segments of these classes became political actors capable of exerting pressures for both civil rights and political inclusion” (Rueshemeyer, Huber and Stephens, 1992:178).

These actors mounted pressure on the legal structure of their states, demanding participation, especially in “Argentina, Uruguay, Chile, where living standards and literacy levels were higher, and traditional ethnic tensions weaker” (Knight, 2001:164). These states responded to this early legitimacy crises by installing full democracy. In countries where indigenous populations were larger, such as Mexico, Perú, Guatemala and Bolivia, the gap between the constitutional system and the population was wider, because more people were excluded from the formal electoral process.

By the mid-1920s, all countries in the region depended on the export of three or less products. Bolivia was one of ten countries depended on one product (Bulmer-Thomas, 2014), in this case tin. The *Great Depression* of 1929 impacted the region intensely, causing a decline of more than 50% between 1928 and 1932. Bolivia, Chile and Mexico, which exports were dominated by minerals, suffered the most. Argentina, Brazil, Ecuador, Perú, Costa Rica, El Salvador and Nicaragua experienced a moderate impact of less than a quarter in their export revenues. For different reasons, Colombia, Venezuela, Cuba and the Dominican Republic experienced very small variations in their volume of exports (Ibid).

A spiral of de-legitimation followed the economic shock. Leaders and parties in government suffered sudden declines in popular support, producing this a “...swing of the pendulum [in favour of] parties [and] individuals out of government at the time of the Wall Street crash” (Bulmer-Thomas, 2014:214). In Colombia, the Liberal party replaced the Conservative party through the ballot box. In Peru, an authoritarian leader – Sánchez Cerro, was replaced by another – Leguía. Even if the revolutionary Mexican government was not deposed, the crisis reshaped its policy agenda. President Cárdenas – 1934-1940 – promoted a land reform, strengthened labour institutions, and nationalised the railways and the oil industry (Drinot, 2014).

In El Salvador, Guatemala and Nicaragua, the crisis led to the “establishment of military dictators” (Ibid:13). In Argentina, the military carried out “its first successful *gople* of the twentieth century” (Knight, 2014). In Uruguay the first social democratic regime in the region was removed by force. Ecuador suffered fourteen *coups* during 1931, followed by unstable iterations of *coups* and elections. Getulio Vargas’ revolt in Brazil, set the stage for

what was going to be its *Estado Novo*. Chile experienced a regime change in the opposite direction, when electoral democracy was re-instated in 1932 (Ibid).

In sum, the region experienced a new opening of the gap between legality and legitimacy and a wave of political unrest.

“Under existing conditions, it was impossible to maintain the old and exclusionary...alliance between liberals and conservatives. How could such an order be kept in societies where the middle classes had gained universal suffrage, where the working class looked strong and well organised, and where the state had definitively abandoned its old self-proclaimed neutral role?” (Gargarella, 2013:106).

The gap had a particularly intense manifestation in the Bolivian case due to the velocity, intensity, and depth of the shock and after shock of the *Great Depression* and the Chaco War against Paraguay. Bolivia was amongst the three countries most affected by the economic shock of 1929. Furthermore, the ruling elite embarked on an unsuccessful, costly and extremely bloody war against Paraguay, in an attempt to regain the legitimacy lost during the crisis. The particularly intense conjunction of these two shocks explain why the ensuing de-legitimation spiral reached the level of the legitimacy of the state, and later led to a Revolution.

Different re-legitimation agendas, ranging from radical nationalism to anarchism, tried to interpret the newly politicised class cleavage and to fill the legitimacy vacuum. Many countries in the region experienced the rise of populist politics. Populism is defined here, following Phillip and Panizza (2011:69-70), as:

“a political strategy...by which political leaders challenged the status quo...in antagonism to both the laissez-faire liberalism of the time [in the name of the people, which was depicted as] the embodiment of the nation denied political rights and social justice by domestic oligarchies and foreign interests”.

This was the legitimisation discourse of classic populism, directly linked to the disruption and politicisation of the class cleavage after the rise and fall of the export-oriented cycle of growth. Consequently, under populism the ethnic cleavage was subsumed under class categories, and indigenous communities became peasants, as it happened in Bolivia after the Revolution of 1952, and in Ecuador and Perú during the populist dictatorships of the 1970s. In a similar way, populism’s tendency to centralise power led to the de-politicisation of regionalism. For example, Getulio Vargas ordered to burn all regional flags. This pre-

eminence of the class cleavage over the regional and ethnic ones endured until the last decades of the 20<sup>th</sup> century, as is analysed in Section 2.3.2.

Given the heterogeneity of the working class during those years, populism acquired an “an anti-institutional bias, [characterised by] the crucial role of the leadership in the process of identification” (Ibid) and, therefore, legitimisation. This situation amplified even further the estrangement between the constitutional legality and the legitimacy of political order. The emergence of socialist parties proved to be the most difficult challenge to accommodate the class cleavage to the constitutional structure of most countries, leading to a volatile situation by which 170 military *coups* took place in Latin America during the 20<sup>th</sup> century (Mirow, quoting Przeworski 2011).

Over time, most countries opened their constitutions to the social question following the Mexican example of 1917, which inaugurated what has been called *constitucionalismo social* or social constitutionalism. However, in reality most constitutions were not applied for extended periods of time. Nevertheless, it is important to highlight that these constitutions integrated social rights into the traditional list of civil and political rights included in the constitutions of the early 1900s. This shows that there was a conscious attempt to close the gap between legality and the de-legitimation and re-legitimation agendas that emerged with the politicisation of the class cleavage. In terms of economic policy, most regimes, democratic or authoritarian, adopted a new modernisation project, the so-called Import Substitution and Industrialisation (ISI). Under ISI, governments sought to promote and protect national manufacturing and to secure the state’s control of strategic sectors, participating directly in the economy through state-owned enterprises and mediating the relations between trade-unions and the private sector.

According to Gargarella (2013), the populist constitutional option outlined above was just one of five, being the others the reformist, socialist, democratic-exclusionary and the authoritarian. There was a reformist alternative enshrined in *constitucionalismo social*, and it was applied when and where constitutions were effective. A socialist alternative succeeded in Cuba and was intermittently applied in Chile and Nicaragua. Democratic-exclusionary alternatives were applied for most of the 20<sup>th</sup> century in Colombia and Venezuela. Finally, an authoritarian alternative was promoted under the many military



dictatorships the region experienced between the 1930s and the 1980s. It is worth noting that many regimes combined two or more of these models. Some military dictators were also populist, as were many civilian rulers, such as the leaders of *Partido Revolucionario Institucional* (PRI) in Mexico or the MNR in Bolivia.

Populist regimes made efforts to “either amend or rewrite constitutions [to introduce their] concepts” (Malloy, 1977:11). In a parallel way, populist regimes sought to mobilise, through extra-institutional means, popular sectors resulting from urbanisation, industrialisation and the expansion of the state’s bureaucracy (O’Donnell, 1977). However, since this mobilisation implied empowerment, these regimes also sought to control and subordinate these sectors to the structures of the state. In order to legitimise their authority, thus, populist leaders “offered their supporters material gratification in the form of increased wages and salaries, expansion of public employment...public services, etc.” (Malloy, 1977:14). In exchange, they received popular support through elections and mobilisation in the streets. Legitimation, thus, took place through parallel channels, one reinforcing corporatist institutions, and the other reinforcing constitutional ones.

However, there was a tension between the policies fostering the inward-looking ISI model, and the politics of redistribution. ISI triggered economic growth, which in turn created further social changes and new actors who needed to be accommodated in the corporatist structure of the state. Co-opting these segments in the context of free and open elections was extremely expensive. Governments responded with expansionary monetary policies, which triggered inflation and, therefore, discontent. Many popular sectors felt disenfranchised and turned to leftist parties. This created polarisation and fragmentation within populist coalitions, giving way to legitimacy crises for these regimes.

Hence, “the populist state began to crumble, opening the way to mass praetorianism” (O’Donnell, 1977). While many popular segments turned to support leftist parties, the middle and upper classes resented the rights labour enjoyed under populism. In the Southern Cone, this situation gave way to the military imposition of what O’Donnell called the bureaucratic-authoritarian state. The military foreclosed the electoral channel of legitimation and constitutional legality, connecting to society through reformed corporatist institutions. The difference between populism and military corporatism is that the latter “is

not a system of controlled incorporation, [as the former], but a system of exclusion of the popular sector” (Ibid:68). The idea was to create an alliance between the military, the middle classes and both national and international private corporations as the basis for a new political order, upon which growth would return.

In the Andean region, the military also intervened but it sustained links to popular sectors, particularly with the organised peasantry in Ecuador and Perú under Rodríguez Lara and Velazco Alvarado<sup>12</sup>, respectively. In Bolivia, throughout most of the dictatorial period the peasantry was empowered by the regime under *Pacto Militar Campesino*<sup>13</sup> because the revolution weakened the Bolivian state *vis-à-vis* organised labour. Thus, when labour broke with the MNR and moved to the left, the MNR allied with the peasantry to neutralise it. It was, thus, not possible for Bolivian military regimes to use effective exclusionary corporatism well into the 1970s. The Bolivian peasantry remained extremely powerful throughout this period.

In any case, the gap between legality and legitimacy adopted a particular form under the conditions of social change experienced in Latin America between 1930 and 1980. As the class cleavage acquired primacy during this period, the challenge was to accommodate class actors and demands into the constitutional structure. Populism tried to adapt by structuring dual systems of legitimation. *Constitucionalismo social* absorbed, *de jure*, part of these demands; while corporatism linked, *de facto*, the state to the popular sectors through corporatist structures. However, when populism experienced a legitimacy crisis of both its formal and informal institutions, the military intervened and installed a form of corporatism that excluded the popular sectors, suspended legality, electoral legitimation and violently crushed mobilisation, especially in the Southern Cone.

In sum, corporatist arrangements were relatively successful in connecting the working class to the state through formal and informal institutions, especially under populism. However, a proper constitutional solution of the class question proved to be highly unsuccessful during this period, reproducing the gap between legality and legitimacy for decades. In

---

<sup>12</sup> Velazco Alvarado ruled between 1968 and 1975 in Peru; whereas Rodríguez Lara ruled between 1972 and 1976 in Ecuador.

<sup>13</sup> See Chapter 4 for references to *Pacto Militar Campesino*.

other words, due to the impossibility of political institutions to absorb the class cleavage, the gap between legality and legitimacy remained opened in most countries between the late 1920s and the early 1980s.

The adoption of ISI produced profound social changes in the region, suddenly halted by the shock of the so-called debt crisis in the late 1970s and early 1980s. After the Mexican government defaulted on its external debt in 1982, other countries soon recognised that they were in deep fiscal crises (Whitehead, 2006). On top of this, the international prices of oil collapsed, leaving these countries with a massive financial burden, at least “as durable and far reaching as the shock of 1929” (Ibid:105).

As the debt crisis triggered a wave of disaffection, a *consensus* emerged in academic and political circles, identifying the causes of the crisis in the policies adopted by governments under the ISI model. Since many of these governments were autocratic, dictatorships lost support and gave way to the *third wave of democratisation* in the region. U.S. foreign policy soon moved away from supporting friendly dictators in exchange for the suppression of local communist movements. This was further enhanced by the collapse of communism, which fed the emergence of a *new consensus* about the desirability of electoral democracy. All of these changes were part of a convergence between the politics and the economics of neo-liberalism, aimed at creating a world-wide favourable environment for free trade. The Bolivian case was followed with particular attention as an inauspicious but rather successful place for the emergence and survival of democracy (Mainwaring and Hagopian, 2005).

### **2.3 The *Glocalisation* of Social Change in late 20<sup>th</sup> Century Latin America**

These new Latin American democracies adopted radical reforms in the 1980s and 1990s, following the *recommendations* of the IMF, WB, USAID and other institutions, to “reduce the fiscal deficit through increases in revenue and cuts in expenditure” (Bulmer-Thomas, 2014:418). States rushed to portray themselves as responsive to the forces of the market (Whitehead, 2006). Consequently, state-owned enterprises were privatised, public servants laid off, and social programmes and import barriers cut back. Privatisation, deregulation and trade-liberalisation were the pillars of the so-called *Washington Consensus*. This latter evolved into the *Miami Consensus* (Panizza, 2009), when the desirability of market reforms was joined by the notion of the importance of representative democracy for development.

This was the new socioeconomic and institutional context in which social cleavages, legality and legitimacy would interplay. Political parties and parliaments would be in charge of representing and channelling the legitimisation, de-legitimation and re-legitimation claims which would soon emerge, as social change reshaped and politicised the structure of social cleavages once again.

### **2.3.1 Social Change under Neo-liberalism**

The combined effects of hyperinflation, low commodity prices and structural reforms were deeply felt in the region. The provision of public goods diminished in reach and effectiveness, while the informal sector grew exponentially. Informality, partially juxtaposed with an emerging illegal economy, facilitated drug trafficking firstly in Colombia, Bolivia, Perú, and later in Mexico and Central America. These sociological dynamics created the conditions for rapid, intense, and volatile disruptions in the structure of the class cleavage, with consequences for its politicisation.

Between 1980 and 1990 the economy of the region experienced negative growth, while between 1990 and 2000 the economy grew only at 1.5% (Bulmer-Thomas, 2014). 43% of the continent's population had an income of less than 4 US Dollars in 1993, and four in ten Latin Americans lived in poverty by 2003. Poverty actually increased in absolute terms during this period, adding an extra 22 million people to the count (HDRLAC, 2016), a majority of which lived in rural areas (Gilbert, 1998). Even though the pace of improvement in health and education was reduced during these years, it is worth noting that these indicators continued to improve. Finally, between 1994 and 1999 inequality rose from an average of 0.550 to 0.553 points in the Gini index (Ibid).

By 2000, almost 80% of South Americans lived in urban areas. Although the pace of urbanisation had diminished in most countries, Bolivia, Ecuador, and Paraguay underwent a late process of rapid demographic change. In the first half of the 1980s Bolivia became the fastest urbanising country, at a rate of 4.47%, followed closely by Paraguay and Ecuador. For the next fifteen years, Paraguay became the fastest urbanising country, followed by Bolivia and Ecuador. The populations of Ecuador and Bolivia became mostly urban in the first half of the 1980s; whereas Paraguay became predominantly urban in the

first half of the 1990s. Between 1995 and 2000, these countries contained the biggest shares of population employed in the informal economy (OECD, ILO, 2012).

The debt crisis and the implementation of the *Washington Consensus* reoriented the process of social change in the region. Economic growth hardly recovered, the pace of urbanisation diminished, except in Bolivia, Ecuador and Paraguay. The informal sector increased its size in most countries, in the context of rising inequality, varying rates of poverty reduction and access to education and health, especially low in rural areas.

A set of dislocations emerged in the interaction between economic and social change. Even before the debt crisis, economic growth was slower than social development. After the crisis, the latter remained flat for around two decades; whereas the former maintained a sustained trend. Throughout this period, the disjuncture between social and economic development in Latin America represented 0.076 of the HDI. The gap accounted for 0.159 in the case of Bolivia, the more pronounced in South America (HDR, 2010). Due to the fast rate of urbanisation, improvements in social development mounted pressure on the labour market, some of which was absorbed by the state, not always as an answer to economic needs, but for political reasons. However, the crisis combined with the shrinking of the economic role of the state after 1980, widened the gap between the population ready to enter the labour market, and the capacity of the economy to absorb them. Since a big part of the interactions between labour and capital were institutionally mediated by the state, when the state retreated from these functions, organised labour resulted heavily weakened (Collier and Collier, 2003).

Countries<sup>14</sup> that developed labour mobilising party systems and corporatist structures of articulation between the state and society, under ISI, suffered “severe economic and political crises during the transition to neoliberalism. Their cleavage structures and organisational models were thus buffeted by wrenching socioeconomic changes” (Roberts, 2002:14). In all of these countries, corporatism had shaped the class cleavage vertically. These countries had highly unionised work forces, participating in large manufacturing economies or in economies highly reliant on the mining sector. Moreover, in these

---

<sup>14</sup> According to Roberts these countries were: Argentina, Bolivia, Brazil, Chile, Mexico, Perú, Nicaragua and Venezuela.

economies public enterprises contributed an important share of capital formation. These economies, thus, suffered more from the reduction of real wages and unemployment. More importantly, the political weight of these unionised sectors and the parties with which they were associated, diminished dramatically.

All of the above created the conditions for the horizontal segmentation of the class cleavage, as trade unions and leftist parties collapsed, giving way to the emergence of “a plethora of interest groups, social movements and NGO’s” (Ibid:27). In sum, the impact of the debt crisis in the structure of cleavages was high throughout the region, especially in countries with labour mobilising party systems and corporatist structures. This re-shaped the structure and the dynamics of the class cleavage, as the rise of the informal sector diluted the salience of class. As we will see in the following sections, depending on demographic, geographic and international factors, regionalism, and ethnicity regained importance in different countries with different intensities.

Bolivia experienced a particularly acute manifestation of the weakening of the class cleavage. The Bolivian informal sector accounted for more than two thirds of its labour force circa 1980, and the country was one of the most affected by the spiral of hyperinflation. Moreover, the collapse of the international prices of tin almost erased the historically militant mining labour force. On top of this, whereas urbanisation was not a determinant factor for social change in the region under neoliberalism, it was very relevant for Bolivia, Ecuador, and Paraguay, which completed their urbanisation between the 1970s and 1980s.

In Bolivia, urbanisation adopted a unique pattern of territorial distribution, one by which La Paz, the most populated city in the country for most of the last century, lost its dominance to Santa Cruz in the eastern lowlands and to adjacent El Alto in the highlands. Santa Cruz became the richest city in the country, containing a core population with identifiable cultural differences, as occurs with the relatively underdeveloped and mostly indigenous population of El Alto. All of the above weakened the salience of the class cleavage in Bolivia in a peculiarly extreme manner, giving way to the re-politicisation of ethnicity and regionalism in the late 1990s.

The renewed importance for regionalism and ethnicity, moreover, received further impulses when the region was influenced by the *glocal waves* of decentralisation and the rise of identity politics.

### **2.3.2 *Glocalisation*: Decentralisation, Identity Politics and the Structure of Cleavages in the late 1900s**

#### **Decentralisation**

The ISI model had a centralist approach to politics and policy (Eton, 2008:680); whereas populist regimes had a centralist bias. Needless to say, the corporatist military regimes of the 1960s and 1970s privileged hierarchical and centralised decision-making structures. The military in Argentina banned all forms of political participation and representation, whereas in Brazil, the military closed the space for subnational politics in the states' capitals and cities of national security importance (Falleti, 2012). In Bolivia, the MNR and the military dictatorships suspended the election of mayors. However, under the *Miami Consensus*, the trajectory shifted towards decentralisation.

During the mid-1990s, neo-liberalism in Latin America evolved towards the adoption of the so-called second generation reforms (Naim, 1995), including decentralisation. According to Faguet (2012a), around 80% of the world's countries have experienced some form of devolution of powers to sub-national levels in the last decades of the 20<sup>th</sup> century. Hence, neo-liberalism and decentralisation converged in a paradigm intended to be an alternative to ISI.

Decentralisation unleashed unprecedented changes. "After centuries of being governed by appointed subnational officials, as a result of decentralisation, all South American citizens...now elect their mayors and most of them elect their governors" (Falleti, 2012:3). Between 1980 and 2000, the subnational share of public expenditures increased from an average of 16% in 1980 to 29% in 2000, and from 14% to 29% in regards to the intermediate level of government in Argentina, Bolivia, Brazil, Chile, Colombia, Mexico, Paraguay and Perú (Ibid, quoting the World Bank, 1999).

This wave of decentralisation empowered different cities and regions to different degrees. They acquired renewed powers to tax, resources to invest in public goods, and elected their authorities through elections, which opened spaces for the legitimation of local leaders and

organisations, transforming the structure of legitimacy. Since different regions and cities would perform differently in articulating to the globalised economy, the stage was also set for the re-politicisation of territorial cleavages.

The opening of sub-national spaces for the legitimisation of power would intersect with a second global trend of political change, namely the rise of identity politics and the international and transnational empowerment of indigenous peoples.

### **The Global Empowerment of Indigenous Peoples**

After the collapse of socialism, "the ideas of a struggle between labour and capital gave way to a proliferation of claims based on national, racial or linguistic identity, [giving] renewed impetus to movements that insisted on cultural separation or multiculturalism" (Zarettsky, in Robertson et al. 1995:244-245). The decrease in the importance of the industrial sector for the global economy, explains this shift in part. Furthermore, with the collapse of communism, the international debate on social development soon "...joined by ideas on multiculturalism, environmentalism, and grassroots development" (Andolina et al. 2009:24).

In Latin America, from the 1970s onwards, transnational networks of NGOs started to support indigenous groups. Under ISI, indigenous peoples related to the state in a corporatist manner and they were identified under class categories, namely as peasants (Yashar, 2006). When agrarian reforms proved wanting, as in the case of Bolivia and Ecuador, the legitimacy of corporatist institutions suffered. In Bolivia, as I analyse in Chapters 4 and 5, the *peasant-military pact* broke down in 1974. Soon after, *katarismo* emerged as an ideology questioning the national project and proclaiming the need to re-found Bolivia as a plurinational state.

In Ecuador, indigenous dissidence to corporatism found support from international NGOs, which helped indigenous organisations to create ECUARANARI, an organisation aimed at "fighting racial discrimination and recuperating or fortifying indigenous cultures" (Ibid:28). Despite the general similarities between Ecuador and Bolivia, the cases differ because in Ecuador the state organised these segments from above in the 1970s; whereas in Bolivia the peasantry organised from below, forming armed militias in the eve of the Revolution. The MNR indeed conceded the agrarian reform to avoid losing complete control of the



peasantry in arms. Consequently, the rupture between the state and the peasantry in Bolivia was also more violent and the resulting movement, *katarismo*, was more radical in questioning the legitimacy of the national state envisaged by the MNR. Although Perú has a large indigenous population, indigenous organisations were not politically active during this period. This resulted from “the civil war [between the state and *Shining Path*], which destroyed trans-community networks and foreclosed spaces for political organisations” (Yashar, 2006:261).

In the 1970s, the Catholic Church, the American NGO IAF, the British OXFAM, the Dutch HIVOS, the German Christian Democrat foundation Hans Seidel and others, converged in a transnational movement for the empowerment of the indigenous peoples. By the early 1980s, the creation of sophisticated indigenous organisations had been sponsored by the same transnational network of NGOs in Bolivia and Ecuador. In sum, a legitimacy crisis of the corporatist model of state-society relations, aimed at absorbing the ethnic cleavage within the category of class, gave way to the mobilisation of indigenous communities along ethnic lines in the late 1970s (Andolina et al. 2009:35).

The collapse of ISI and the socialist project propelled a new wave of global empowerment of the indigenous sectors. The International Labour Organisation (ILO) approved the 169 Convention on Indigenous and Tribal groups in 1989. In 1991, the WB approved its Directive 4.20 on Indigenous Peoples, by which developing projects affecting indigenous populations should be consulted by their representatives. In 1992, the EU redirected its aid policy toward Latin America to favour indigenous groups “by improving their living conditions while respecting their cultural rights” (Ibid). In 1994, the UN organised its working group on indigenous peoples before declaring, in 1995, the Decade of the World’s Indigenous Peoples. Between 1992 and 1999, “over 50 percent of World Bank loans to Latin America included indigenous specific loans” (Ibid). Finally, the IADB established a \$250 million fund for indigenous and Afro-Latin American projects. The Netherlands – in 1993, Belgium – 1994, Denmark – 1994, Britain – 1999, and to a lesser extent the USA – 1994, “incorporated concerns for culturally appropriate development into their policy framework” (Ibid:35). The Netherlands, Belgium and the USA supported numerous development projects in Bolivia and Ecuador during the 1990s; whereas Britain and

Denmark concentrated their efforts in Bolivia. In sum, in the 1990s transnational and international forces for the empowerment of indigenous peoples intersected.

### **When the Global meets the Local: The *Glocal* Causes of the Rise of Regionalism and Ethnicity**

Although decentralisation and the empowerment of indigenous peoples converged in Latin America via international networks, grassroots forces operating from below used this window of opportunity to advance their historical de-legitimation and re-legitimation agendas. In Bolivia and Ecuador, indigenous movements framed their discourse in the “indigenous struggles to combat the cultural hegemony of elites” (Van Cott, 2010:393). Their initial demand was for local autonomy, seen as a response to the shortcomings of corporatist schemes for land reform. (Ibid; Yashar 2006). Although in Ecuador these movements refused to enter the political arena for a long time, Bolivia witnessed the rise of the first *katarista* parties in the late 1970s. These parties combined demands for autonomy and for the re-founding of a plurinational state. With the advent of neo-liberalism, many indigenous movements in the region remained outside formal politics. They tried to de-legitimise neo-liberalism from without, as in the case of the Zapatista movement, waging a guerrilla warfare against the Mexican government. Less violent mobilisations took place in Chile and Ecuador (Van Cott, 2010). However, it was not until decentralisation was implemented, that these movements found a platform to amplify their voice, especially in countries where they had more demographic weight.

During the implementation of the second generation reforms the agendas of transnational, multilateral and bi-lateral donors converged. Many agencies “deepened their involvement in municipal processes with a combination of financial and technical assistance...sharing the objectives of indigenous organisations to some degree” (Andolina et al. 2009: 88). NGOs, multi-lateral and bi-lateral organisations partnered to promote both indigenous empowerment and decentralisation. DANIDA<sup>15</sup> for example “on the one hand ...strengthen[ed] the new entities [municipalities]...and then, by the way of NGOs...strengthened grassroots organisations to fill the spaces created by the municipalities” (Ibid).

---

<sup>15</sup> The Danish International Development Agency.

In Ecuador, decentralisation was adopted in a more sequential way. Local authorities were elected but the central government withheld responsibilities and resources. In any case, by 1995 in Bolivia and 1996 in Ecuador, indigenous organisations joined forces to found political parties that won municipal elections. From the local level, these forces created a local legitimacy base that propelled them to the national arena. They either formed an alliance to govern, in the case of Pachakuti in Ecuador, or won national elections themselves, as in the case of the MAS-IPSP in Bolivia. It is worth noting, however, that the MAS-IPSP is not an exclusively indigenous organisation, but includes other rural and urban political sectors. On the contrary, Pachakuti was the electoral arm of the indigenous organisation CONAIE.

Reforms to the electoral system facilitated the transition from local to national politics. In the case of Bolivia, the adoption of SMDs to elect half of the Lower Chamber, created a link between the local constituency and the national parliament as early as 1997, when Evo Morales arrived to parliament with three other peasant leaders. In Ecuador, the provinces, at the sub-national level, had been used to elect MPs since the return to democracy. However, for most of the 1980s and 1990s, representatives were elected under proportional representation. In the elections of 1997, the system was changed for open list SMDs, which according to Pachano weakened the presence of nationally established parties, fostering fragmentation (2006). In both cases, the system of representation experienced fragmentation from below. The short-lived shift from proportional representation to open SMDs enhanced this trend in Ecuador, in a moment in which *glocally* empowered CONAIE had founded Pachakuti and decentralisation was under way. This led to the opening of a bridge between the local and the national spheres of action for the indigenous organisation.

In sum, in both Bolivia and Ecuador, different regimes tried to absorb the ethnic cleavage under class categories and corporatist designs, in Bolivia after the Revolution and in Ecuador during the nationalist dictatorships of the 1970s. Endogenous activism led by indigenous organisations de-legitimised class corporatism and, propelled by transnational and international networks for the empowerment of indigenous peoples, this activism gained traction during the 1980s and 1990s. This new trajectory later intersected with the wave of decentralisation and re-politicised the ethnic cleavage. Later on, electoral reforms,

aimed at the articulation of the local and the national levels, provided these indigenous organisations with the opportunity to deploy their de-legitimation discourses at the national level.

Regarding the regional cleavage, the longstanding tension between Guayaquil and the Capital, Quito, in Ecuador, was re-activated during the 1960s, when the nationalist military regime of Rodríguez Lara promoted land reform. The conflict was, however, absorbed by the party system when the country democratised and Guayaquil's regionalist sentiment was channelled through the Christian Socialist Party, led by Leon Febres Cordero, a business leader from the coast (Burbano de Lara, 2009). There was a clear dichotomy between the parties performing well in the Coast – PSC and PRE – and those performing well in the highlands – ID and DP. In this way, the regional cleavage was absorbed by the national party system. Decentralisation also contributed to capture the regionalist sentiment in Guayaquil, because the PSC won the municipal government of Guayaquil in 1992 (Ibid).

In Perú, decentralisation reforms were adopted when the country democratised in 1980, when Peruvians elected Mayors. In 1988, moreover, Perú's 25 departments were regrouped in 11 regions which would elect their regional assembly and president. However, the socioeconomic and cultural basis for decentralisation had long disappeared, as Lima concentrated most of the population and socioeconomic weight (Vergara, 2015), depoliticising the hitherto tense relationships between Lima and Arequipa in the south. On top of this, the war between the state and the *Shining Path* engulfed most of the Peruvian territory in the 1980s. Between 1989 and 1992, two thirds of the territory and 40% of the population lived under a state of exception. In these areas there was no constitutional legality and no space for democratic legitimation. Hundreds of mayors and councillors were assassinated or forced to resign (Ibid), foreclosing any potential attempt to politicise either regionalism or ethnicity through decentralisation.

One can only imagine that, in the absence of *Shining Path*, Perú would have experienced a similar politicisation of the ethnic cleavage. Peasant organisations had acquired important capacities to mobilise during the 1970s (Vergara, 2015). There is, thus, no reason to think that transnational networks of indigenous empowerment would not have reached the

country. Furthermore, decentralisation would have been also be enhanced by the second generation reforms, further empowering indigenous organisations.

However, under the threat of *Sendero*, the peasantry, “once organised in trade-unions, was now organised in [self-defence groups or] *rondas campesinas*...In an alliance with the Armed Forces, the peasantry was left with less space for political manoeuvre and became more dependent on the state” (Ibid:247-248). In sum, longstanding processes of socioeconomic change created the material basis for the centralisation of power in Perú, deactivating the territorial cleavage. Under these conditions, decentralisation policies did not take root. On top of this, the violent conflict between the state and *Shining Path*, the most disruptive factor for sub-national politics, foreclosed any route for the *glocal* waves of reform to re-politicise either ethnicity or regionalism in Perú, as occurred in Ecuador and Bolivia.

### **2.3.3 The new Structure of Cleavages and the Crises of Representation**

The structural changes suffered by the class cleavage under neo-liberalism, namely the growth of the informal sector under conditions of increasing inequality, slow poverty reduction, and economic stagnation, created set a new context in which the traditional party systems had to adapt. Moreover, as regionalism and ethnicity were re-politicised in several Latin American countries, the competitive party systems established during the early 1980s were now in charge of playing the crucial role of “channel[ing], mediat[ing] and ultimately control[ing] social conflict” (Panizza, 2009:107 quoting Hagard and Kaufman, 1992).

The rise of neo-populist leaders was directly related to the growth of the informal sector and the weakening of trade-unionism. Neo-populist leaders found their basis of support in these segments of society promising to roll-back neo-liberal reforms. Because of the high social costs of neo-liberalism, most of the party systems in charge of implementing it experienced a diminishing electoral performance and were challenged by neo-populist alternatives. Nevertheless, most party systems remained stable, except for Perú. In Argentina and to a lesser extent in Brazil, the rise of *delegative democracy* weakened the system from within, but did not dismantle it<sup>16</sup>. In Venezuela, the system suffered from

---

<sup>16</sup> See Chapter 1 for a definition of *Delegative Democracy*.

electoral disaffection and popular protests undermined its stability; although no neo-populist alternative challenged the status quo well into the 1990s. Finally, Ecuador experienced Bucaram's neo-populist adventure in the late 1990s. On the contrary, Bolivia's *pacted democracy* successfully absorbed neo-populist challengers. Furthermore, Bolivia was depicted as an example of democratic governance and praised because of its early response to hyperinflation that, apparently, granted the political system the necessary levels of legitimacy and stability (Linz, 1990; Lijphart, 2000).

The gap between legality and legitimacy under the conditions of *delegative democracy*, created then the conditions for the collapse of the party system in Perú because the economic crisis was intertwined with the war against *Shining Path*. A generalised sense of insecurity, experienced for more than a decade, gave Fujimori the upper hand to blame the traditional parties from both the economic and the security crises. By 1991, economic reforms started to work against the former, which equipped Fujimori with the necessary legitimacy to push for further changes; however, he found the obstacle of having a parliamentary minority. Endowed with popular support, he carried out an *autogolpe*, a self-inflicted *coup*, closed parliament and later called for a CA. The traditional parties abstained from participating in the CA, and this opened the door for Fujimori to pass a constitution that provided the presidency with more powers. In September of 1992, *Shining Path* was defeated and its leaders imprisoned. This gave Fujimori yet further support and granted him a resounding victory in the elections of 1995, when he obtained more than 60% of the votes; whereas all the traditional parties combined obtained merely 5 %.

In countries where the territorial cleavage was re-activated, namely Bolivia and Ecuador, party systems absorbed regionalist sentiments and organisations within at least one of the parties, namely the PSC in Ecuador; or the MNR, ADN and the MIR in Bolivia. Decentralisation and electoral reforms that opened the political space to sub-national leaders and organisations, managed to partially absorb the newly empowered indigenous organisations in Bolivia and Ecuador. In contrast, neither decentralisation nor indigenous empowerment took place in Perú, because it was engulfed by an internal conflict.

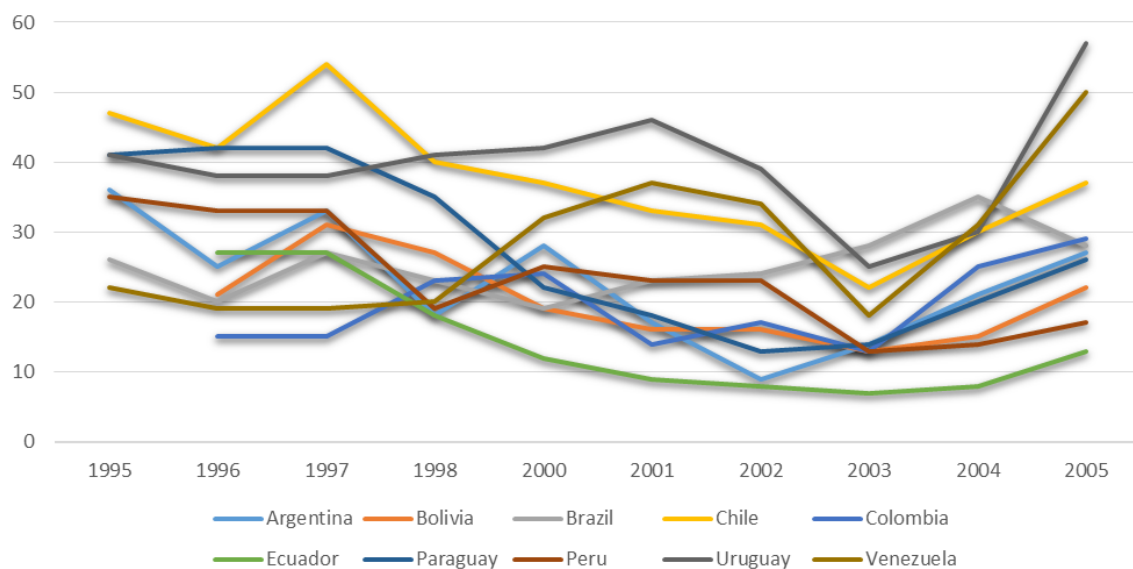
In sum, Latin American party systems in place during neo-liberalism suffered from a progressive decline in their legitimacy, stemming from the new forms of politicisation of

the class cleavage and, in some countries, the re-activation of regional and ethnic cleavages. However, in most cases party systems remained stable, Bolivia standing out as the system that better absorbed these challenges. However, when neo-liberalism was impacted by the so-called *Asian Financial crisis*, the region faced a new spiral of de-legitimation and the re-opening of the gap between legality and legitimacy.

## 2.4 The Politics of Mass Protest, the Fall of Neo-liberalism and the Re-opening of the Gap between Legality and Legitimacy in the 21<sup>st</sup> Century

The *Asian financial crisis* of 1997, coupled with the Russian default of 1998, led the region to a new recession. “Brazil came closer to moratorium in 1998, ... Ecuador defaulted on its Brady bonds in 2000, and Argentina defaulted in all its commercial foreign debt at the end of 2001” (Bulmer-Thomas, 2014). Argentina’s GDP contracted by 16% just in the first quarter of 2002 and more than five million people fell into poverty between 2001 and 2002 (Levitsky, 2005). This happened against the background of almost twenty years of low international oil prices, which held back the growth of Bolivia, Colombia, Ecuador, Mexico, Perú, and Venezuela (Ibid). The crisis triggered a spiral of de-legitimation of the governments, parliaments, parties and leaders that implemented neo-liberal policies, all of which suffered from a sudden decline in their levels of popular trust throughout the region, as shown in Figures 3 and 4.

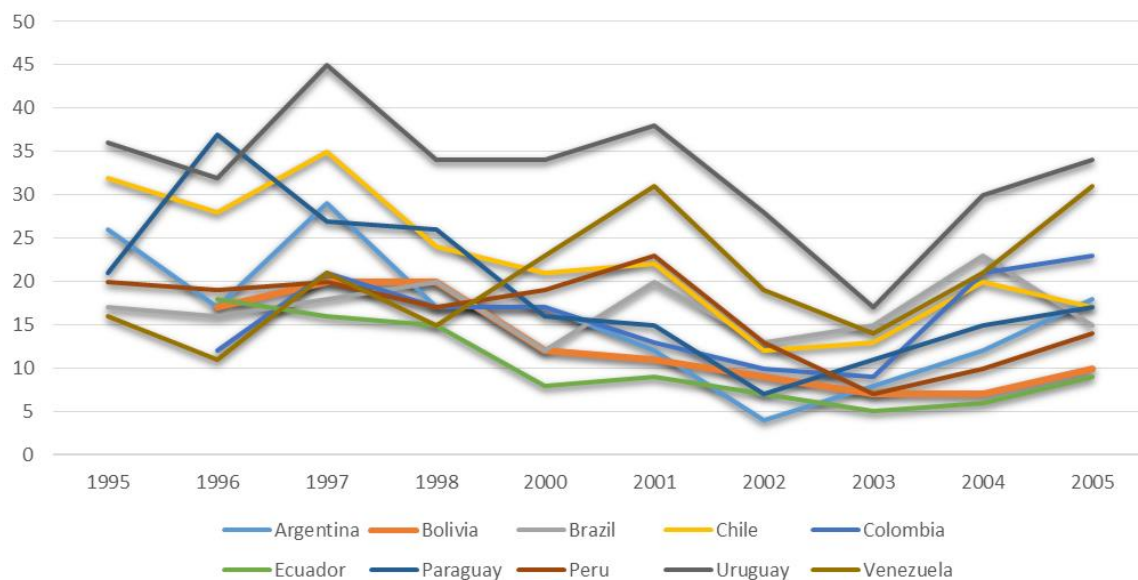
**Figure 3 Trust in Congress in South America (1995-2005)**



Source: Own elaboration based on Latinobarometer database.

In the electoral realm, disenchantment led to resounding electoral victories of leftist candidates in Venezuela in 1998, “Chile (2000 and 2006), Brazil (2002), Argentina (2003), Uruguay (2005), Bolivia (2005), and Perú (2006)” (Cleary, 2006:35). Outside the electoral arena, massive protests affected “contributed to the overthrow of a series of pro-market rulers in Ecuador, Argentina, and Bolivia” (Roberts, 2008: 328). Mass protests outside formal political institutions led, ultimately, to the abandonment of free market reforms (Panizza, 2009). The Miami consensus was in disarray as citizens in Argentina and Ecuador chanted *que se vayan todos!* all politicians out! (Philip and Panizza, 2011). In sum, neo-liberalism and the parties that introduced it, were suffering an acute legitimacy crisis.

**Figure 4 Trust in Political Parties in South America (1995-2005)**



Source: Own elaboration based on Latinobarometer database

This led to the collapse of party systems in Bolivia between 2002 and 2005; and Ecuador between 2000 and 2006. The Venezuelan party system collapsed between 1998 and 2002, joining the Peruvian one, which fell between 1992 and 1995 (Mainwaring et al. 2006). The Argentinean party system partially collapsed between 2001 and 2003, when the historic UCR almost disappeared. Argentina’s party system avoided collapse thanks to the *Partido Justicialista’s* historical *ideological malleability*. This time, the party shifted to the left under the Kirchner’s leadership. In other words, the institutions of representative democracy were questioned by civil society throughout the region.



In Bolivia and Ecuador, the legitimacy of political institutions were the lowest in the entire region by 2004. Moreover, citizen's preference for democracy as a political regime were also much lower in both countries (Booth and Seligson, 2004:239). A similar study by Power and Mc Cyr (2010) established that, by 2005, that Ecuador and Bolivia had the lowest legitimacy scores in the region, followed by Perú and Guatemala. Consequently, the Andean countries "experienced a breakdown of the mechanisms for the aggregation demands and conflict resolution and saw elections running alongside anti-institutional forms of politics" (Phillip and Panizza, 2011:177).

This rose fundamental questions regarding the role of the state in the economy. The state was de-legitimised as re-foundational agendas sought to redraw "the institutional basis for the political order" (Ibid):178) in Venezuela, Ecuador and Bolivia. In these countries, this institutional legitimacy crisis soon transformed into a legitimacy crisis of state.

These re-legitimising agendas later clashed with the constitutional order. In Bolivia and Ecuador, the regional and ethnic cleavages were re-politicised alongside the class cleavage. When the financial crisis reached Ecuador, CONAIE joined the street protests that forced the resignation of President Jamil Mahuad, in 2000. Later on "CONAIE joined a group of lower ranking military officers in the *January military/indigenous coup* against the democratically elected president" (Phillip and Panizza, 2011:53). Even though this undermined the legitimacy of CONAIE, its electoral instrument, Pachakuti, followed the electoral path and managed to win the national elections of 2002, in an alliance with Colonel Lucio Gutierrez. This alliance was short lived because, despite all of the nationalist and popular rhetoric of candidate Gutierrez, once in power, he sustained the unpopular neo-liberal policies.

Since the mid-1990s, CONAIE was at the centre of gravity of an alliance between indigenous social movements and sectors linked to the informal economy under the banner of "Coordinadora de Movimientos Sociales" (Ibid). CONAIE made an accurate reading of the situation of disruption and politicisation of the class and ethnic cleavages, before forming a coalition in which the state and political institutions could be re-founded. However, CONAIE/Pachakuti could not sustain a stable alliance, once the traditional system collapsed. Middle-class and urban-popular segments were disappointed with these

organisations, because of their alliance with segments of the military to carry out a *coup d'état*. In 2005, Lucio Gutierrez was deposed by another wave of social protests, this time led by an alliance of “middle-class urban citizens who had few organisational links with popular movements” (Ibid:89). This movement, called the *forajido* or *outlaws* movement, was led by Rafael Correa, an educated charismatic leader who organised these sectors behind the so-called *citizen's revolution*. In 2006, the party system of Ecuador collapsed and Correa's movement came to power. Correa implemented national-popular redistributive policies. He avoided, though, to deepen its links with the indigenous movement.

The gap between legality and legitimacy during the Ecuadorian state crisis came mainly from the side of the ethnic and class cleavages. First of all, it was the ethnic movement and popular urban sectors who deposed three constitutionally elected presidents between 1996 and 2005. The CA of 1998 was a response to these episodes. The serious legal pitfalls of the CA of 1998 confirm that the gap between legality and legitimacy was behind the state crisis of Ecuador. Moreover, the gap was re-opened in 2006, when congress and the constitutional court refused to authorise a plebiscite to call for a new CA, because of its illegality. Correa waged a political and judicial war against these authorities, as a result of which “57 congressmen were stripped of their mandates, along with members of the Constitutional Court...accused of obstructing the electoral process...These moves were extremely dubious in legal foundation but were effectively legitimised by a massive ‘yes’ in the plebiscite to call a CA in April 2007” (Phillip and Panizza, 2011:90). Although Correa adopted many of the proposals for the creation of a plurinational state, raised years ago by CONAIE/Pachakuti, he refused to ally with them.

In sum, Ecuador's legitimacy crisis between the late 1900s and early 2000s evolved into a gap between legality and legitimacy that led to a state crisis, as occurred in Bolivia. However, the intensity of the crisis was lower than in the Bolivian case, where the country was on the verge of a civil war. The first difference relates to the fact that, despite a first attempt to bridge the gap between the class and ethnic cleavages, CONAIE failed to sustain the coalition between popular and indigenous segments. Furthermore, by forming a coalition with the military in two occasions, the indigenous movement lost the support of

other popular sectors and the middle classes. These segments later mobilised under Correa' leadership and managed to establish a legitimacy base broad enough to become hegemonic. On the other hand, the fact that the coca growers' movement and not an exclusively indigenous organisation was at the core of the indigenous-popular bloc in Bolivia, made it easier for the MAS-IPSP to consolidate a more stable and fluid bridge between the indigenous communities, the peasantry and later the urban popular sectors. The MAS-IPSP also proved to be more patient than Pachakuti and did not risk any alliance with *traditional actors* in 2002, when it became the second electoral force in the country.

The legitimacy crisis in Ecuador also gave way to the politicisation of regional elites and civil organisations of Guayaquil and other provinces who demanded more autonomy. As in Bolivia, the regionalist movement also de-legitimised the state. However, when this mobilisation faced a legal barrier against their demand for an autonomic state, its leaders did not contemplate a violent response, as in happened in the case of Bolivia's *half moon* (Burbano de Lara, 2009).

Various factors explain this. First, the rivalry between Quito and Guayaquil lasted for more of a century before the early 2000s, a long period in which, even though Guayaquil managed to become the richest city/region in Ecuador, the rivalry evolved into a stable equilibrium. This was not disrupted by the rapid urbanisation experienced in the country, because this was evenly absorbed by these two cities and not by a third actor. In Bolivia, the process through which Santa Cruz became the most populated and rich city in Bolivia took less than five decades. Furthermore, in even a shorter period, El Alto became the second most populated city; although remained less prosperous than Santa Cruz. The velocity, intensity and volatility of these social changes explain part of the radical polarisation experienced in Bolivia when the *Asian crisis* triggered a spiral of de-legitimation.

Regarding the politico-institutional determinants of this variation, we can say that the regional movement in Ecuador was successfully absorbed by one of the traditional political parties, the PSC. Even though the party lost national standing, it remained hegemonic in Guayaquil. In the Bolivian case, the collapse of the party system left the civic movement of the eastern lowlands without a formal channel of political representation. They then transformed into a countermovement to the indigenous-popular bloc. Since the latter found

an instrument of representation in the MAS-IPSP, which won the elections of 2005, the civic movement felt threatened and radicalised. The regional cleavage was then politicised to the extreme that it opened a second front for the gap between legality and the legitimacy, namely the demand for departmental autonomies as opposed to the demand for a plurinational state. Brandishing these agendas for the re-legitimation of the state, the parts in conflict engulfed the country in a cycle of de-legitimation and violence that pushed the country close to civil war.

The centralised structure and national reach of the Bolivian traditional parties explains their inability to adapt to a radical decentralisation reform which, paradoxically, they had promoted. In Ecuador, on the contrary, from an early stage the party system was shaped along the regional cleavage. Two main parties were overrepresented in the coast and two overrepresented in the highlands. Therefore, it was easier for these parties to adapt to a decentralisation reform, which in turn was less radical and empowering than in Bolivia. Therefore, the existence of decentralised governments cushioned the fall of the party system in Ecuador; whereas it accelerated its demise in Bolivia. This made the politicisation of regionalism and ethnicity more intense during the Bolivian state crisis.

Venezuela also experienced a gap between legality and legitimacy that led to a state crisis. The trajectory of Venezuela, however, was different from the cases of Bolivia and Ecuador. Structural factors explain this difference. Firstly, ethnicity has never politicised as to raise existential questions of national identity. Secondly, the early urbanisation of the country means that Caracas dominates demographically and socioeconomically. Thirdly, the essential role acquired by the export of oil, activity monopolised by a state-owned enterprise, conditioned a further concentration of the cleavage on the class question. The Venezuelan version of *pacted democracy*, *Punto Fijo*, had been highly dependent on the politics of oil. When prices decreased throughout the 1980s and 1990s, and in the context of a highly urbanised society, informality started to create strains in the class cleavage, as in other countries. The traditional triangle between the parties in government, the trade association – CTV – and the business association – *Fedecamaras*, was outflanked by the rise of the informal economy and an increasingly impoverished urban population. These sectors felt that they were not represented by political institutions and expressed their

disenchantment by abstaining from participating in elections and through outbursts of street protest such in the case of *Caracazo* in 1989 (Hagopian, 2005). However, these actors were not politically organised as in the case of Bolivia and Ecuador.

It was thus, within the lower ranks of the military that this discontent in Venezuela was captured by the *bolivarian movement*. After two failed *coups*, Hugo Chavez and his colleagues decided to opt for the electoral path. The legitimacy of the old regime was further diminished by corruption scandals and Rafael Caldera's failed economic reforms of 1996. On top of this, the prices of oil fell dramatically in 1998, the year that Chavez was elected President. He de-legitimised Venezuela's *pacted democracy* by claiming that he would end "the historical humiliation and neglect of the Venezuelan people at the hands of the elite" (Philip and [Panizza, 2011:94]). To legitimise his re-foundational project, Chavez called a referendum to advance a CA. There was a serious legal question surrounding the CA, since the mechanism was not established in the constitution of 1961. This question was later raised to the supreme court, but its response was ambiguous. The court "recognised the possibility of calling a consultative referendum in order to gauge popular opinion regarding an election of a [CA]... However, it did not address whether a constitutional amendment was necessary" (IDEA, Constitutionet, 2016). The unwillingness of the court to decide on the legality of the reform marked the opening of a gap between legality and legitimacy in Venezuela. The new constitution brought about important changes to the state, beginning with a change of its name, as in the cases of Bolivia and Ecuador, and policies that introduced participatory democratic mechanisms and enhanced the role for the state in the economy.

Once in power, Chavez confronted a fragmented opposition that rapidly moved to the opposite pole. Chavez re-organised urban and rural poor sectors from the top-down. He established channels of communication with these sectors and organised them in the so-called *Circulos Bolivarianos* and *Communal Councils*. Chavez used the support of these organisations to back him in his confrontations with the CTV, *Fedecamaras*, the organised workers of the state-owned oil company PDVSA, and the private media. There was a clear politicisation of the class cleavage in its rich vs. poor version, but also in its manifestation

of formal vs. informal. Chavez formalised the disenfranchised poor, in exchange for support (De la Torre, 2013).

This situation led to a dynamic of legitimisation and conflict. To legitimise his position Chavez combined street mobilisation with electoral tactics. Since 1998, Venezuelans “were called to vote in a record number times in national and local polls...a number of plebiscites and referendums, including a recall referendum and two plebiscites to allow Chavez to stand indefinitely for re-election” (Philip and Panizza, 2011:92). At that point, the existence of a gap between legality and legitimacy in Venezuela was clear, as Chavez sought to change, via a referendum, the constitution that he promoted in 1999, against the clauses setting limits for his re-election as president. This alienated a majority of the society, which rejected the indefinite re-election in 2007. The question was asked again, in 2009, and the proposal passed. In sum, legitimacy trumped legality in Venezuela, and this triggered conflicts as in the cases of Ecuador and Bolivia.

The lack of politicised territorial or ethnic cleavages, and the fragmented character of the Venezuelan opposition, prevented the territorialised and ethnically charged type of polarisation experienced in Bolivia. However, the class cleavage in Venezuela is intense and can trigger violence, such as the *coup d'état* attempt against Chavez in 2002. The conflict was between the old socio-political system – made of traditional parties, organised businesses and labour- and a re-foundational radical project, supported by segments of the informal economy and the disenfranchised urban poor. During the Bolivian crisis, the situation was similar between 2000 and 2005, when the traditional parties collapsed. However, with the rise of a countermovement in the eastern lowlands, the situation evolved towards a divided legitimacy between two re-foundational agendas, in which class, ethnicity and regionalism interplayed at once.

Chavez passed away in 2013, but his Vice-President Maduro took power. Moreover, a united opposition won the parliamentary elections of 2015, in the context of an acute economic crisis. The legislative branch is clashing with the executive and the judiciary; while mobilisations and counter mobilisations are taking place in the streets. A polarised society and a divided government seem to reflect the rise of a divided legitimacy. This could

lead to horizontal violence and even a democratic breakdown, although this has not yet been the case at the time of writing.

In any case, between the late 1900s and early 2000s Venezuela experienced a gap between legality and legitimacy that led to a state crisis, as it occurred in Bolivia and Ecuador. However, the case differs from the other two in several ways. If we had to locate the three cases in a continuum of similarities, Bolivia and Venezuela would occupy the opposite ends. The legitimacy crisis of the Venezuelan party system had been in the making for decades and is highly correlated with the state of oil revenues. The oil crisis of the 1980s and 1990s, in conjunction with the growth of the informal sector, politicised the class cleavage. The state was then de-legitimised and re-legitimised under the agenda of *21<sup>st</sup> Century Socialism*, opposed by a fragmented opposition without a re-foundational counter agenda. In Ecuador, the party system consolidated in the 1980s and early 1990s, but progressively lost support as informality and slow economic growth re-politicised the class cleavage, while the *glocal* waves of indigenous empowerment and decentralisation re-politicised regionalism and ethnicity. In the aftermath of the *Asian crisis*, the trajectory of Ecuador resembled Bolivia. However, because of the rupture of the alliance between indigenous and popular sectors, and due to the fact that decentralisation and the party system partly absorbed the regional cleavage, ethnicity and regionalism lost salience in Ecuador after 2006. Since then, the Ecuadorian trajectory resembles more Venezuela one.

In sum, although the gap between legality and legitimacy triggered state crises in these three countries, the Bolivian crisis was more acute. In Bolivia, ethnicity, class and regionalism were politicised and captured by two blocs upholding contradictory agendas for the re-foundation of the state which led the country to the verge of civil war.

## **2.5 Conclusions: Why is Bolivia an extreme Case of the Gap between Legality and Legitimacy?**

Latin American politics are shaped by a longstanding estrangement between legality and legitimacy. This gap results from the incapacity of the region's political systems, to effectively mediate fundamental social conflicts originated in the impacts of cumulative and/or sudden social changes in the social, regional and ethnic cleavages that characterise

the region. The gap opened, historically, with different intensities and in different combinations, in accordance with the relative salience of cleavages of each country.

I argued in this chapter that the Bolivian case represents an extreme manifestation of this dynamic because of the particular structure of its ethnic, regional and class cleavages, and due to the intensity, velocity and volatility in which social change historically impacted on them. I also argued that, ultimately, the way in which political actors and political institutions adapt and absorb these changes by representing and transforming delegitimation and re-legitimation discourses into legal changes, is the key factor explaining why some countries, such as Bolivia, experience state crises; whereas others do not.

Latin America's cycle of export-oriented growth during the 19<sup>th</sup> century disrupted the balance of powers between their regional elites, and triggered violent conflicts between Federalist and Unitarian parties. Furthermore, some states engaged in conflicts with their indigenous populations. In Bolivia, a similar conflict took place in 1899 but it had very peculiar characteristics, given the alliance between the Liberal Party based in the Northern city of La Paz and indigenous sectors, which defeated the central government based in Southern Sucre. There was a constitutional moment in which a pact between the camps could have prevented war, but the parts avoided a constitutional solution, claiming to have a superior legitimacy, engulfing the country in a dynamic of violence.

Decades of modernisation politicised the class cleavage throughout the region. Against this background, a second opening of the gap occurred when *Great Depression* shocked several countries. Especially Bolivia, Chile and Mexico. Leaders and parties in government suffered sudden declines in popular support, but because the Bolivian president at that moment was the only one who sought to decompress the situation by unsuccessfully waging a particularly violent war against Paraguay, Bolivia suffered a self-inflicted second shock. This shock was so intense that the ensuing legitimacy crisis acquired national existential overtones. A constitutional convention tried to close the gap between a liberal and a national-popular re-legitimation alternatives. However, because the so-called *traditional parties* abstained from participating in the constituent forum, these ideological differences widened the gap between legality and legitimacy. In the absence of a constitutional consensus, this extreme polarisation led to the Revolution of 1952.



By the end of the ISI cycle, the region was impacted by the debt crisis and hyperinflation. Bolivia experienced one of the highest levels of hyperinflations and the aftershock of the collapse of the tin prices. The historically militant mining labour force was almost erased, changing the nature of the class cleavage as the informal sector widened. Although urbanisation was not an important factor in most countries in the region during the 1980s, this was the case in Bolivia, where urbanisation adopted a highly volatile dynamic. In less than 40 years, Santa Cruz became the richest and most populated city in the country, followed in demographic growth by the relatively underdeveloped and mostly indigenous population of El Alto. The intensity of the debt crisis in Bolivia, and the velocity and geographic volatility of this urbanisation, not only weakened the class cleavage but re-politicised ethnicity and regionalism in the late 1990s.

With the advent of democratisation, competitive party systems and neo-liberal reforms were supposed to absorb the new dynamics within the class cleavage. However, due to the social costs of the structural reforms, parties struggled to sustain their levels of legitimacy. Paradoxically, since Bolivia experienced hyperinflation in the early 1980s and *pacted democracy* was successful in stopping it, the party system was depicted as very successful in bringing stability. *Glocal* waves of reforms, which promoted decentralisation and the empowerment of indigenous peoples, re-politicised ethnicity in many Latin American countries. Decentralisation also politicised regionalism in Bolivia and Ecuador.

Against this background, when the continent was shocked by the *Asian financial crisis*, a new spiral of de-legitimation affected many governments. Party systems collapsed in Bolivia, Ecuador and Venezuela. In these three countries, the legitimacy of the state was questioned by agendas that clashed with the constitutional order, opening a gap between legality and legitimacy. The three countries then experienced state crises. However, only in Bolivia the gap between legality and legitimacy led the country to the verge of civil war.

The crisis in Bolivia was more intense than in Ecuador because of the relationship between the nature of their decentralisation reforms and the structure of their party systems. Decentralisation was more intense and empowering in Bolivia than in Ecuador. Since the Ecuadorian party system was highly regionalised during the 1990s, when parties experienced a decline in their legitimacy at the national level, the existence of decentralised

governments cushioned their fall. In Bolivia, political parties had a national reach but a centralised structure. Thus, their legitimacy crisis in the context of a radical decentralisation, accelerated their demise.

This made the politicisation of regionalism more intense during the Bolivian state crisis. Regarding the re-politicisation of class and ethnicity, this was carried out by the raise of a coalition of popular and indigenous movements. A similar alliance de-legitimised the state in Ecuador, but the indigenous core of the coalition could not sustain the support of urban sectors. In the Bolivian case, the coca growers' movement was more successful in connecting indigenous and urban social movements, because it was a peasant movement and, therefore, very open to both indigenous sectors and former miners and trade-unionists. In Venezuela, the gap between legality and legitimacy was always tied to the class question, adopting the form of a conflict between the traditional unions and political parties, and the agenda of *21<sup>st</sup> Century Socialism*, upheld by disenfranchised urban sectors in alliance with a segment of the military. This made the conflict intense but less complex in terms of the cleavages involved.

Bolivia stands out amongst the three cases as the only one which sustained a form of divided legitimacy between competing re-foundational agendas which intersected ethnic, regional and class conflicts. When these blocs refrained from reaching an agreement during the CA, the gap between legality and legitimacy reproduced within the CA, breaking down into a spiral of legitimisation and violence that led the country to the verge of civil war. The extreme manifestation of the gap between legality and legitimacy in Bolivia, is the reason this thesis focuses on the Bolivian state crisis between 2000 and 2008.

## Chapter Three

### Two Bolivian State Crises in Cross-temporal Comparative Perspective

*“Los willka no habrían sido posibles sin los Katari. Tampoco el 52... habría existido sin Willka. Las clases sociales y los hombres hacen la historia creyendo que la hacen, pero en realidad la repiten de un modo inconsciente, es cierto que transformándola.”*

René Zavaleta Mercado,  
Lo Nacional-Popular en Bolivia, [1986] 2008

As I have analysed in Chapter 2, the late 19<sup>th</sup> century and the early 20<sup>th</sup> century brought social and political change to Latin America. These waves of socioeconomic change impacted the structure of social cleavages and, consequently, the dynamics of the gap between legality and legitimacy. During the 19<sup>th</sup> century, these changes disrupted and politicised territorial and ethnic tensions – in places with sizeable indigenous populations. These dynamics triggered conflicts between Federalist and Unitarian parties, and between some Latin American states and their indigenous communities. These struggles for the re-legitimation were in permanent tension with the constitutional structure. The gap between legality and legitimacy, in other words, created the conditions for political instability and conflict in the second half of the 19<sup>th</sup> century. However, by the beginning of the 20<sup>th</sup> century, most countries adopted constitutions that partially bridged the gap between legality and these re-legitimation claims.

Early industrialisation and the growth of cities and ports connected the continent to the international economy during the early 1900s. These changes disrupted once more the structure of cleavages, politicising class relations; while regionalism and ethnicity lost importance in the societal balance of powers. The constitutions approved by most Latin American countries in the late 18<sup>th</sup> century were thought of as mechanisms to deal with regional cleavages; while suppressing the ethnic ones, in order to partially close the gap between legality and legitimacy. Therefore, when the class cleavage gained prominence,

especially in the aftermath of the Great Depression of 1929, the gap was re-opened, triggering new state crises. As I mentioned in the previous chapter, in both cycles of socio-political change, Bolivia stands out as an extreme case of the gap, experiencing a civil war in 1899, which had unusual racial overtones, and a social revolution in 1952.

In the following sections I will discuss the similarities and differences between the above-mentioned state crises using a cross-temporal comparative analysis. The structure of the chapter is not written in a chronological manner; on the contrary, each section aims at applying the variables constitutive of the theoretical framework spelled out in Chapter 1, by comparing selected sequences of events leading to both state crises. The objective of the comparative analysis is to identify patterns of political change in the modern history of the country through the lenses of the gap between legality and legitimacy approach. The Chapter is divided in four sections. The first section compares the processes of socioeconomic change and their impact in the disruption and politicisation of the structure of cleavages, prior to each state crises. The second section compares the processes of politico-institutional change in both periods. More specifically, the chapter focuses on the role of political external shocks, as well as in the role played by political institutions – namely the party system, parliament and local governments – in adapting to shifts in the structure of cleavages. The third part of the chapter compares the evolution of the gap between legality and legitimacy. The section analyses the way in which the political system evolved into a situation of a divided legitimacy, *vis-à-vis* the failure of the attempts made to address this situation through constitutional means, leading to both state crises. The fourth section concludes extracting the main theoretical implications of the cross-temporal comparison.

### **3.1 Social Change and the Shifting Salience of Cleavages: From the Primacy of Ethnicity and Regionalism, to the Rise of the Class Question**

#### **3.1.1 Socioeconomic Change in the last Quarter of the 1800s**

Socio-economic decay marked the first decades of the Bolivian republic. By the mid-19<sup>th</sup> century, the production of silver had declined by 50% compared to the output reached in the last decade of the 18<sup>th</sup> century (Klein, 2010). During that period, more than 10,000 silver mines were abandoned throughout the territory as the aftermath of the war of independence

pushed the country further into a subsistence economy (Mendieta, 2010). However, although later than most countries in the region, Bolivian experienced economic recovery in the last quarter of the 19<sup>th</sup> century. Furthermore, in the first thirty years of the 20<sup>th</sup> century, Bolivia registered a sustained cycle of export-oriented growth.

Around the 1860s, the Bolivian mining industry adopted modern technologies, thanks to which many hitherto abandoned mines were rescued, as foreign capitals were invested in the creation of the first modern mining companies. These changes responded to the rise of the international prices of silver, thanks to which Bolivia's silver production tripled between the 1870s and the 1890s (Klein, 1969; 2010). The elites of the southern cities of Potosí and Sucre, where most of the silver mines were located, were empowered as a result of these developments. However, as silver lost 40% of its value between 1890 and 1895 (Mitre, 1981), the economic foundations of their power diminished.

While the economy of the south declined, the economy of La Paz flourished, thanks to the rise in the international prices of tin, extracted from mines located close to the city, in the north-west of the country (Jordan, 1999). This triggered tensions between the elites of both regions. Bolivia's exports of tin rose from 1,920 to 5,290 tons between 1890 and 1900 (Hillman, 1984). In sum,

“...during the latter part of the 19<sup>th</sup> century and the first quarter of the 20<sup>th</sup> century...through the silver boom and then the definitive tin boom, the country sustained a strong burst of economic development and modernisation which saw the progressive country's entrance into the international market...” (Malloy, 1970: 24).

This cycle of growth triggered a wave of urbanisation and a degree of social mobility (Malloy, 1970) marked by the expansion of a middle class made of artisans, merchants, medium scale entrepreneurs and miners, bureaucratic staff and land owners (Ibid). However, this cycle of economic growth did not impact all regions evenly, creating strains between the economic clusters of La Paz/Oruro in the north; and Sucre/Potosi in the south

The liberalisation of the land market, which occurred as of 1874, contributed to the wave of urbanisation and to the emergence of new popular sectors. This was particularly evident in La Paz, which had close contact with Aymara indigenous communities surrounding the Titicaca Lake.

“In 1854, 42% of the population [of La Paz] was registered as white or mestizo, and 58% as indigenous; while the 1900 census registered 38% of whites; 32% of mestizos and 30% of indigenous. Hence, in La Paz, the process of mestizaje was... [highly influenced by an accelerating] interaction between the indigenous and the *creole* world” (Mendieta, 2010:64).

New elites and the middle class sectors emerged, demanding access to arable land. The state responded to this demand by removing the legislation that assured the communitarian possession of land to the indigenous communities. “While in 1880 the indigenous communities held half of the arable land and constituted half of the rural population, by 1930 their share decreased to less than a third in both items” (Klein, 2010:167). Thus, the mineral booms of the late 19<sup>th</sup> century triggered the rupture of the so-called *reciprocity pact* between the state and the indigenous communities. Under the *reciprocity pact*, these communities were able to retain their relative autonomy and some access to education (Gotkowicz, 2003) in exchange of a tribute. These changes weakened the relative position of these communities in the balance of powers, disrupting the structure of cleavages as the state became less dependent on the Indigenous Tribute.

In summary, the country experienced important changes in the trajectories of economic and social change in the last decades of the 19<sup>th</sup> century. Decades of economic decay gave way to rapid growth under the *silver boom*. Although this boom was halted by an abrupt decline in the international prices of silver, the overall upward trajectory did not suffer thanks to the *tin boom*. The velocity, intensity and volatility with which these changes took place created tensions between La Paz and Sucre, due to the geographic pattern they adopted. Socioeconomic changes also caused ethnic tensions because of the rupture of the *reciprocity pact* and the policies of dispossession of communitarian lands, as the state's coffers became less dependent on the *Indigenous Tribute*. These tensions would later converge abruptly in the wake of the Federal War of 1899, to be analysed below.

### **3.1.2 Socioeconomic Change in the First Half of the 1900s**

The trajectory of socioeconomic changes that preceded the Revolution of 1952 was different from that which occurred during the late 1800s, because three decades of unprecedented economic growth preceded them. By the 1920s, however, the overall economy and the public finances were over-dependent on the mono-production of tin and

more vulnerable to external shocks. This increasingly skewed economic structure created a bottle-neck effect, as larger segments of the work force moved to the mining sector, at base of the social structure. This segment progressively gained strategic importance within the popular sectors of society.

At the apex of the socioeconomic structure, one could find three mining companies which produced 80% of the mining industry's output between the 1920s and the early 1940s. During this period, Bolivia produced between a quarter and a half of the entire tin of the world (Dunkerley, 2003). However, the prices of tin collapsed during the *Great Depression* of 1929. The country reached its pre-depression peak in terms of tin production in 1927, when a tonne of tin costed 917 US dollars, as opposed to 385 dollars per tonne in 1932. In 1929, 37% of the Bolivian public budget was allocated to the repayment of the public debt, and an extra 20% that was directed to military spending (Klein, 2010). It is not surprising, thus, that Bolivia was one of the most affected Latin American countries during the *Great Depression*.

This economic crisis impacted the structure of the cleavages, at a point in which they were more complex, as a result of decades of modernisation. The country, according to Malloy

“... was neither wholly modern nor wholly traditional. But neither was it transitional; for after a certain point, it was in transit to nowhere. It was immobilised, crystallised, and contracting. These internal contradictions led to internal pressures which, in turn, led to louder and louder demands for change” (Malloy, 1970:31).

Despite the importance of tin for Bolivian exports, agriculture accounted for around a third of its GDP (Dunkerley, 2003; Klein 2010) and employed 72% of the total workforce. Although the urban population increased from 14% to 23% and the literacy rate from 17 to 31% during these years, modernisation reached merely 30% of the population. In rural Bolivia, on the other hand, as the communitarian possession of land declined, land redistribution became the most unequal in Latin America. These changes created socioeconomic tensions related to the redistribution of the wealth obtained from the exports of tin. A second source of conflict related to the distribution of land. The convergence of these trajectories explains why the class question became the focal point of social conflict.

By 1950, 6% of the landowners who held properties of 1,000 hectares or more controlled 92% of the arable land; whereas 60% of the landowners who had properties of 5 hectares or less, controlled 0.2% of this land. Under the *hacienda* system, new landowners adopted the system called *pongueaje*, a type of servitude. Dispossessed indigenous peasants started to rent small plots and were expected to provide personal services in *haciendas* (Klein, 2010). In sum, as the indigenous communities lost their lands, the political weight of ethnicity decreased in relation to the socioeconomic tensions surrounding the problem of servitude and land distribution.

In geo-economic terms, modern activities penetrated the cluster formed by the most populated cities and mining centres of the highlands, including La Paz, Oruro, Cochabamba, and to a lesser extent Potosí and Sucre. These cities were surrounded by vast territories dominated by *haciendas*. The region was in turn connected to the world through the railways and the ports in the Pacific, from where the minerals was exported. Although new elites were connected to a modernising international economy, by pushing for the expansion of their own haciendas, they coalesced with the traditional landed elite in a closed circle, later known as *la rosca*.

“Bolivia as anything resembling an effective state unit was restricted mainly to the Altiplano and the adjacent valleys. This, properly speaking, was the limit of the effective national sovereignty...[this] national system, by its reliance on tin and the world market, became increasingly differentiated from the retrogressing and stagnating agricultural sphere around it” (Malloy, 1970:29).

In sum, the socioeconomic changes described above diminished the importance of regionalism and ethnicity, giving way to the rise of the class question. The rupture of the *reciprocity pact* was followed by the concentration of land property, transforming the relationships between the indigenous and the non-indigenous sectors. Large segments of the indigenous population became landless peasants, urban artisans, workers or miners. Regarding the regional cleavage, decades of concentration of the overall economic activities in the exports of tin, La Paz cemented its position as the political and economic centre of the country.



### 3.1.3 Comparative Analysis

The most important implications from a comparative analysis of both cycles of social change are the following. In both cases, external economic shocks punctuated incremental changes, giving way to the disruption and politicisation of the cleavage structure. In the case of the late 1800s, after decades of economic decline, the country's economy experienced an upward trend. This trend acquired a particular geographical pattern conditioned by the rise and fall of the silver economy, and the rise of the tin economy. This gave way to tensions between La Paz and Sucre. The relative position of the indigenous communities also shifted as the *Indian Tribute* diminished in importance for the Bolivian state, and the *reciprocity pact* was broken. This created renewed tension between the indigenous and non-indigenous sectors. In sum, social and economic changes disrupted the structure of cleavages through territorial and ethnic channels in the last decades of the 1800s.

On the other hand, in the first half of the 1900 the socio-political weight of the indigenous communities diminished even further. The continuation of the policies of land dispossession and the expansion of *haciendas* reduced the political relevance of the indigenous communities even further. Moreover, the consolidation of the exports of tin as the main sources of economic growth cemented the primacy of La Paz as Bolivia's centre of gravity for decades to come.

All the above ended up positioning the class cleavage as the main source of conflict. The shock of the *Great Depression* would later activate the social question. This external shock, instead of experiencing the collapse of one product and the rise of another within an overall trend of economic growth, triggered economic collapse, politicising the class cleavage. In sum, social transformations, punctuated by intense and volatile external economic shocks, shifted the relative salience and politicisation of the historic social cleavages, from the primacy of regionalism and ethnicity, to the rise of the class question.

### 3.2 Patterns of Politico-institutional Change: Comparing the last Quarter of the 1800s to the second Quarter of the 1900s

The combination of incremental and sudden, endogenous, and exogenous political changes, interacted with the socioeconomic processes described above to bring about the outcome

of both state crises. Military defeats in international conflicts can be seen as triggers which, in conjunction with the changes in the structure of cleavages, conditioned the evolution of the party systems, shaping the dynamics of the gap between legality and legitimacy in both episodes. This will be the focus of the present section.

### **3.2.1 The Shock of the Pacific War and the Rise of Political Parties**

The defeat in the Pacific War against Chile, in 1879-1880, by which Bolivia became landlocked, created the conditions for the collapse of five decades of a political system dominated by military *caudillos*. This gave way to the emergence of the first political parties, closely related to the southern and northern elites mentioned in Section 3.1. Hence, these parties were in charge of representing a society whose structure of cleavages was being disrupted by the cycle of social change of the late 1800s.

Thus after 1880, with the activation of a *fusion constitution*<sup>17</sup> approved in 1878, a new institutional system emerged. The constitution established a bi-cameral legislative branch, an elected presidency, and an independent judiciary. Against this institutional background, three political parties competed to lead the country in consecutive elections. These parties were the Constitutional Party, known as the Conservatives, the Liberal Party, and a third party called the Democratic Party.

Over time, Conservatives came to largely represent the interests of the southern elites; whereas the Liberals represented the interests of the northern elites. Although these parties did not differ radically in ideological terms, the Liberals seemed more open to engage with popular sectors and new middle classes, actors that resulted from the urban growth of La Paz. They used clientelistic strategies to win the support of new artisan guilds and other sectors excluded from the formal citizenry. However, since the socio-political weight of these sectors was not big enough, they turned later to forge an alliance with the Aymara indigenous communities of La Paz. The Democrats were a faction of the southern elite that buffered the system, secure initially a Conservative majority in parliament, and later

---

<sup>17</sup> See Chapter 2 for a discussion, based on Gargarella (2010), of the fusion constitutions approved in Latin America in the last decades of the 1800s

supporting the Liberals. In any case, over time, the political system grew polarised along the lines of the regional divide.

During the 1880s and early 1890s, the most contentious issue in parliamentary politics referred to the course of action the country should take in relation to Chile. Bolivia retreated from the Pacific War under a truce. The Liberals wanted to continue the war; whereas the conservatives wanted to sign a peace agreement. Without a peace agreement, the ports through which the southern elites exported silver would still be occupied. The Liberals wanted to continue the war, due to the close ties that the northern elites maintained with Perú, Bolivia's ally during the conflict (Irurizqui, 1994; Klein, 2009).

Political polarisation intensified as the Liberals increasingly felt unlawfully excluded from government. Electoral fraud and other manipulations carried out by the Conservatives fuelled the Liberal's distrust in the electoral system. Although they did not want to bring the military back into politics, they established contacts with the indigenous population of the areas that surrounded La Paz through patronage and commercial relations. Since the indigenous communities were losing their lands, these links were established to advance a potential alliance between sectors affected by the Conservative policies.

The political ambitions of the elites of La Paz increased as the city gained socioeconomic weight. The political ambitions of La Paz were curtailed, however, by what the Liberals perceived as a closure of the electoral path to power carried out by consecutive Conservative incumbents. Consequently, the Liberals and many sectors in La Paz lost trust in the electoral system.

On the other hand, the policies of land dispossession carried out by the state since the 1870s, activated the ethnic cleavage because they amplified the asymmetric exchanges between the indigenous and non-indigenous populations of the country. Social asymmetries – once hidden behind geographic isolation – came to the fore when both sectors experienced physical proximity, as indigenous people migrated to the cities, while new elites acquired rural properties in indigenous territories. These interethnic exchanges created awareness, on both sides, about the existence of a tension between the indigenous communities and the Bolivian state. The Liberal Party was able to give a political platform to this awareness, outside the formal political institutions.

The rules that defined the right to be a Bolivian citizen didn't change substantially throughout the 19<sup>th</sup> century, creating this a bottle-neck effect that curtailed the possibility for most Bolivians to participate in the political process. Against this background, popular demands were funnelled through clientelistic networks used by the elites to accommodate emerging social forces through informal legitimation channels, without broadening the legal definition of citizenship. Consecutive elections proved impossible for the Liberal party to access to power through formal electoral channels. Therefore, the Liberal party used the network of clientelistic interactions between the elites of the North and the surrounding indigenous communities, to legitimise its position as leaders of a counterhegemonic alliance, which questioned the legitimacy of the political system enshrined in the constitution of 1880.

### **3.2.2 The Shock of the Chaco War and the Rise of Mass Politics**

After the Federal War to be analysed in the following section, the Bolivian party system was transformed. Between 1900 and 1914 the Liberal Party ruled unchallenged; however, by 1914 a split in the party gave way to the emergence of the Republican Party. Although the Republican Party tried to represent emerging popular sectors, it could do so just up to a point, since the right to vote was still legally limited to around 10% of the population. The disjuncture between social change, the rise of the class question, and the continuity of the electoral rules, mounted pressure on the system. The Republicans tried to adapt by adopting a nationalistic stand in economic affairs when they governed during the 1920s, but disagreements led to further divisions. Between 1926 and 1930, President Hernando Siles tried to react to the first signals of economic crisis by creating an alliance between both wings of the Republican Party and the Liberals. However, when Siles announced his intentions to extend his mandate beyond the constitutional provisions, a wave of popular mobilisation forced him to resign.

Social unrest increased in the aftermath of the *Great Depression*, as a new coalition between Republicans and Liberals took power, this time under the command of Daniel Salamanca. Salamanca proved to be an inflexible president, formed a cabinet made up exclusively of Republicans, alienating the Liberals. He fiercely repressed labour strikes and stated that the real problem of Bolivia was not the crisis but the threat of communism.

Salamanca's policies to tackle the crisis triggered an inflationary wave, which alienated the Liberals even further. He tried to pass a law to criminalise social protest, causing the withdrawal of one of the wings of the Republicans, the *Saavedrista* wing, named in honour of its founder, former President Bautista Saaverda. *Saavedristas* later joined unions and students to found the *Republican Socialist Party*. Given this lack public support, Salamanca tried to change the political scenario to insuffle legitimacy the regime. He envisaged the recourse to external conflict as a way out. The border between Bolivia and Paraguay had been historically disputed and witnessed, in previous years, skirmishes between both armies. However, diplomatic negotiations always prevailed.

Salamanca thus took advantage of one of the skirmishes to start a full blown international war. I agree with the accounts of Malloy (1970), Dunkerley (2003), and Klein (2010), who identify the cause of the Chaco War, in a conscious decision intended to decompress an internal situation of unrest, brought about by the *Great Depression*. The decision to go to war, thus, was an attempt to insuffle legitimacy to a political system suffering from a spiral of de-legitimation.

The war required an unprecedented effort of social mobilisation. In a first moment, the manoeuvre was highly successful, as "jingoism and patriotic fervour became the order of the day. The war in reality was Bolivia's first 'national' war and, indeed, its first real 'national' effort of any kind" (Malloy, 1970: 73). Furthermore, the war was a test for the achievements of the liberal modernisation project.

However, the Bolivian army's defeat indeed unveiled the weakness of the Bolivian state. Bolivia went to war to overcome the legitimacy crisis of its political system; however, the defeat in the war triggered a legitimacy crisis of the state and national identity. Salamanca was deposed by his own generals and the presidency was transferred to Vice President Tejada Sorzano, in 1934. After a counterattack through which Bolivia recovered some territory, the year after, Bolivia agreed to initiate peace negotiations. In sum, the main consequence of the defeat in the Chaco War was the transition from a legitimacy crisis of the regime towards a legitimacy crisis of the state.

Bolivia lost many men during the war (Dunkerley, 2003). According to Klein, "for a total population of about two million people [these casualties] resembled those experienced by

the European nations during World War I” (2010:206). Those who came back from the war were frustrated because they discovered, in their everyday struggle in the battle field, that the country was not truly a national state. This realisation eroded the foundational claims upon which the legitimacy of the state resided. These Bolivians of the so-called *Chaco Generation* “discovered that they fought for a nation which didn’t exist [and they also discovered] the glaring contradiction between what Bolivia should be and what Bolivia really was” (Malloy, 1970:76-77). In short, the entire structure of legitimacy installed after the Federal War collapsed in the aftermath of the Chaco War. Moreover, this legitimacy crisis unleashed a period of political instability that led directly to the outcome of the Revolution of 1952.

After the war, the monopoly of civilian rule and the traditional party system fell apart (Klein, 2010). Different ideologies ranging from Marxism to different types of nationalisms spread throughout a general population, demanding alternatives for the re-legitimation of the state. While Bolivia entered the Chaco War as one of the most socially and economic underdeveloped countries in Latin America, it left that war as one of the most politicised of its societies (Malloy, 1970). Once again, as in 1880, the combination of an economic shock – the *Great Depression* – and a self-inflicted political aftershock – the Chaco War, in the context of a changing society, created the conditions for a legitimacy crisis of the state.

Led by veterans of the *Chaco generation*, four parties emerged between 1934 and 1941. These were the Trotskyist POR – *Partido Obrero Revolucionario*, the corporatist FSB – *Falange Socialista Boliviana*, the socialist-Stalinist PIR – *Partido de la Izquierda Revolucionaria*, and the nationalist-socialist MNR – *Movimiento Nacionalista Revolucionario* (Dunkerley, 2003; Anaya, 1999). These forces clashed fiercely since they were influenced by the international balance of powers in the eve of WWII. The political spectrum widened thanks to the emergence of these parties and other forces, such as the first nation-wide trade union, and a nationalist political faction within the armed forces – RADEPA or *Razón de Patria*.

On the other extreme of the spectrum, the entire old political system – namely the Liberal party and the factions of the Republicans, signed an agreement to participate in the elections of 1939 under the name of *La Concordancia*. The emergence of *La Concordancia* marked,

“The end of the political system installed in 1880...[It] signalled the end of the intra-class political party structure with its liberal classical contentions over the form of government; it also marked the beginning of class-oriented politics which would cause a great deal of social conflict and the formation of parties based on the socio-economic realities of the country” (Klein, 2009:356).

Hence, behind the higher complexity and fragmentation of the political system that emerged after the Chaco War, we can identify the consolidation of the class cleavage as the focal point of political conflict, which would shape the process of legitimization for the next fifty years.

### **3.2.3 Comparative Analysis**

The most important points to highlight from comparing the patterns of political change in both periods are the following. The structure of the Bolivian population and the type of social conflicts varied enormously between the last quarter of the 19<sup>th</sup> century and the first half of the 20<sup>th</sup> century. This was the consequence of a combination of: i) the process of social change triggered by the modernisation cycle of the late 1800s and early 1900s; ii) the sudden impact of the *Great Depression* and the Chaco War on this changing society; and iii) the increasing influence of international politics in the domestic realm, international politics that were dominated by the debate about the class question.

The accumulation of these changes made the class cleavage more salient than the ethnic and regional divisions, the main fault lines during the 1899's state crisis. As the party system in place proved incapable to open to the emerging sectors, new discourses of de-legitimation and re-legitimation of the state surpassed the constitutional rules of political participation. Politics in the streets, hence, consolidated as a parallel form of legitimization, alongside clientelism and competitive elections. However, in contrast to the rapid consolidation of a counterhegemonic bloc occurred with the alignment of Liberals/indigenous/middle-class mestizos in 1898, a coherent counterhegemonic bloc did not crystallise after the Chaco War, given the much more complex internal and external contexts.

In the eve of both state crises, the impact of social changes in the structure of cleavages conditioned the relationship between legality and legitimacy by creating important levels of strain. In a first moment, the political system managed to absorb new actors, namely the

Liberal Party in the 1880s and the Republican Party and its splinters in the 1920s. However, in a second moment, external shocks such as: i) the collapse of the prices of silver in the 1890s; ii) the collapse of the world economy in 1929; and iii) the defeat in the Chaco War in 1932-1935, triggered a dynamic by which legality and legitimacy radically diverged. Political elites were challenged by emerging coalitions upholding new discourses for the re-legitimation of the state and political institutions. These coalitions were made of members of emerging counter-elites, popular sectors, indigenous communities, and the peasantry. In a third moment, constitutional changes attempted to close the gap between legality and these new sources of legitimacy. However, these attempts failed in both cases, as we will see in the following section.

### **3.3 State Crises and the Gap between Legality and Legitimacy**

In the present section I will analyse the ways in which the processes analysed above interplayed, giving way to the opening of a gap between legality and legitimacy, and finally to both state crises. In both episodes, as the system of representation progressively lost legitimacy, coalitions upholding de-legitimising and re-legitimising discourses emerged challenging the status quo. This led to a situation of polarisation or divided legitimacy, progressively detached from the constitutional structure. When external shocks impacted the system, spirals of de-legitimation unravelled and soon the gap between legality and legitimacy gave way to state crises.

#### **3.3.1 Polarisation and a Divided Legitimacy in the last quarter of the 1800s**

As was mentioned above, in the consecutive elections carried out after 1880, the Liberals felt deprived from a real opportunity to reach power because, according to them, Conservative regimes carried out fraud in election after election. The Liberal leadership felt the need to find extra-institutional vehicles to advance their claims. This situation progressively undermined the legitimacy of the system because one of its key players was losing trust in the rules of the game. However, as the legality of the system relied on competitive elections, the Liberals were cautious of taking extra-institutional and violent routes. Nevertheless, they approached the indigenous communities offering them to stop the policy of liberalisation of the land market, and a new political status in a new republic garnered if they supported the Liberals in a hypothetical rebellion. The indigenous



communities firstly resisted the policies of dispossession through legal means (Irurozqui, 1994). However, when their legal battle proved useless (Mendieta, 2010), they rebelled, which called the attention of the Liberals, who also attracted emerging popular sectors to their camp by promising new opportunities for social mobility (Mendieta, 2010).

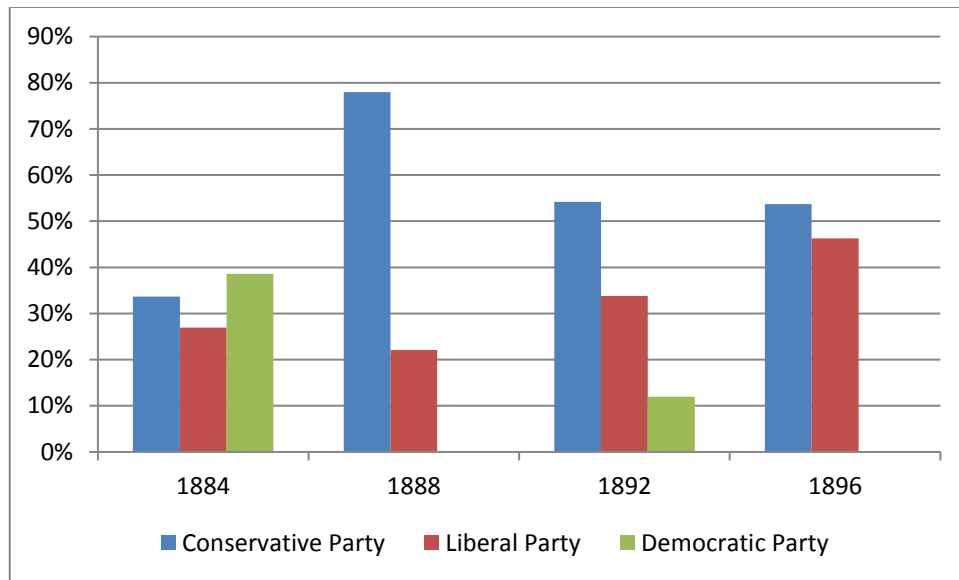
The Liberals identified the grievances experienced by the indigenous communities and the emerging *mestizo* middle classes. These grievances increased in intensity as these sectors felt unsettled in their relative positions in the balance of powers. The latter felt excluded from the political system despite their social advancement; whereas the former felt existentially threatened by the policies of land dispossession

These alliances moved the Liberals to the extreme of the political spectrum, because they had to represent the demands of excluded segments. However, since their allies could not vote, the the Liberals sought to frame their discourse behind the regionalist sentiment of the elites from La Paz, fuelled by the increasing socioeconomic weight that the region acquired through the tin boom. As a response, the Conservatives became increasingly associated with the interests of the elites of Sucre and Potosi. Up until the late 1890s, polarisation was attenuated because the buffering role of the Democratic Party. However, when these parties moved towards extreme positions, the Democrats lost their moderating role as shown in Figure 5.

An accelerating factor in this process of polarisation was provided by the existence of elected municipal governments since 1880. As these governments, could generate their own legitimacy, they could compete with the central government as providers of public goods. It was thus through the appropriation of these spaces that the Liberals found a political platform to denounce the allegedly centralist policies of the Conservatives, seen by them as detrimental for La Paz. For example, the first trigger of the Civil War was the revolt led by the Liberals after they proved an electoral fraud by which they were denied the majority of councillors in the municipal elections in La Paz. Massive street demonstrations supported their claim, but fiercely suppressed by the central government based in Sucre. Although later the Liberals saw their majority restored, the city was already in a state of revolt (Arguedas, 1922). The Liberal Party, furthermore, used its elected local authorities in rural

La Paz to articulate its clientelistic ties with Aymara indigenous leaders, promising them the restitution of their communitarian lands (Irurozqui, 1994).

**Figure 5 The Evolution of the Electoral Performance of the Bolivian Party System between 1884 and 1896 (in %)**



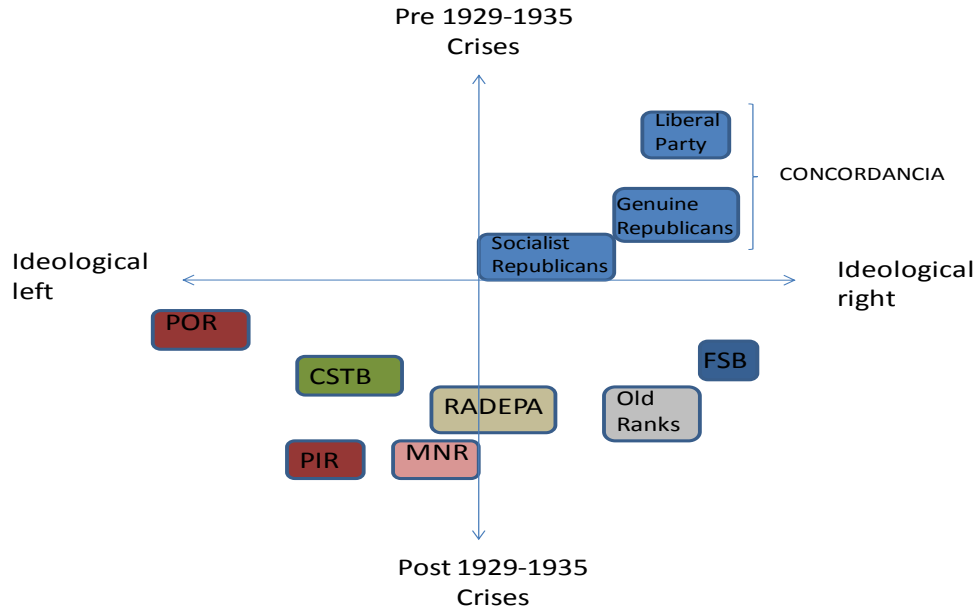
Source: Own elaboration based on Arguedas, 1922; Irurozqui, 1994 and Condarco Morales, 1982.

### 3.3.2 Polarisation and a Divided Legitimacy in the Second Quarter of the 1900s

The process of polarisation in the eve of the Revolution of 1952 was much more complex and protracted than during the 1890s, as shown in Figure 6. Because the electoral system was still closed to most people, it soon evolved into a polarised pluralist system<sup>18</sup>. Polarisation, in other words, played out in two dimensions. There was a conflict between the old and the new political system, and a conflict between the left and the right within the emerging parties.

<sup>18</sup> Polarised pluralism is a concept coined by Sartori to describe a political system characterised by the presence of more than five relevant parties, low levels of ideological consensus and the existence of a wide distribution of opinions.

**Figure 6 The sociopolitical map of Bolivia by 1940**



Source: Own Elaboration

In the elections of 1939, the *Concordancia* alliance obtained 50,000 votes thanks to which its candidate, Enrique Peñaranda, became president. However, a surprise was given by the 10,000 votes obtained by the socialist leader, José Antonio Arze, a sociology professor who led a Marxist group of young students (Malloy, 1970), soon to become the founders of the PIR. Considering the limited percentage of the adult male population entitled to vote, this shows that the party system instituted in 1880 was losing support from within the middle classes. The PIR, the MNR and to a lesser extent the POR were effective because they changed the “erratic politics of personalism to one of impersonal organisation and ideology” (Ibid). These parties had a better reading of the increasing complexity of their society, which was becoming politically active, *de facto*; whereas the *de jure* political system was still closed.

The PIR, the POR and the MNR interpreted the structure of cleavages under class categories. For example, they aimed at tackling the indigenous problem by ending the economic institution of *pongueaje*, and calling for an alliance between the workers, the middle class and the peasantry to form a revolutionary front (Klein, 2010). This reading of the changing social conditions started to pay off in the electoral realm by the late 1930s.

In the parliamentary election of 1942, the so-called traditional parties lost the majority in the lower chamber (Ibid). With the support of the left in parliament, the mining workers mobilised demanding for social rights. The government responded with repression, to which a nationalist group of ex-combatants – RADEPA, in alliance with the MNR, reacted by launching a successful *coup d'état* in 1943, installing a civil-military regime under the command of Mayor Gualberto Villarroel.

Since, the emerging parties were following the lines of the global ideological struggle that led to the eruption of WWII, external centrifugal forces amplified the process of polarisation within the country, giving way to a momentary alliance between the PIR and the Republicans. They took advantage of a teachers' strike and transformed a protest into a popular revolt that ended up with an angry mob executing president Villarroel, in 1946.

The alliance of the PIR and the Republicans did not end with the fall of Villarroel. They coalesced for the elections of 1947, which proved to be a big mistake for the PIR, because its basis withdrew their support. An empty space emerged thus in the left of the spectrum, soon to be filled by the MNR and by the national miners' trade union, the Trotskyist FSTMB<sup>19</sup> (Klein, 2010). At this stage, the chaotic political system was finally crystallising in two agendas for the re-legitimation of the state. One of these agendas proposed a democratic-bourgeois society shaped by a strong state; whereas the other proclaimed a socialist society led by a working class-peasantry government.

Between 1946 and 1952 fragmentation gave way to polarisation. The MNR and the FSTMB coalesced in a revolutionary bloc, occupying the left of the spectrum, and leaving aside, momentarily, their ideological differences. On the other side, the elites represented by the traditional parties also coalesced in a bloc supported by the old ranks of the military. Bolivia entered a vicious circle of repression and social mobilisation (Malloy, 1970). This spiral created further de-legitimation of the ruling coalition by alienating the middle classes who rejected violent repression.

Against this background, the MNR won the municipal elections of 1947 in the cities of Santa Cruz and Potosi, showing, as in the case of 1899, that local governments served as

---

<sup>19</sup> Federación Sindical de Trabajadores Mineros de Bolivia.

platforms for the articulation of a counter-hegemonic alliance. These electoral victories propelled the MNR to become the second parliamentary force in the mid-term elections of 1949 (Klein, 1969). However, since the regime reacted to these events with further repression, the MNR, the miners, and sectors of the peasantry launched a direct armed attack against the government. During this civil conflict, the rebels seized power in the main mining camps (Ibid; Dunkerley, 2003) and four out of the nine Bolivian departments, but failed to take La Paz (Zavaleta, 1998). The struggle sealed a multi-class alliance between the miners, the peasantry, and segments of the middle class.

**Table 1 Electoral Polarisation in the National Elections of 1951**

<b>Ideological Spectrum</b>	<b>LEFT</b>		<b>RIGHT</b>		
<b>Party</b>	<b>PIR</b>	<b>MNR</b> (Supported by POR and PCB)	<b>PURS</b> (Partido de la Unión Republicana Socialista)	<b>Liberals</b>	<b>AD</b> (Acción Democrática)
<b>Number of Votes</b>	5,170	59,219	39,940	6,441	6,550
<b>Totals</b>	<b>59, 219</b>		<b>52,941</b>		

Source: Own elaboration based on Malloy, 1970

In the national elections of 1951, the POR agreed to support the candidates of the MNR, facilitating its unprecedented victory, as shown in Table 1. The response of the government was to hand power over to a military junta. In response, the MNR and the labour left prepared for an armed showdown, which took place in April 1952.

In sum, in both cases, the country experienced a process of polarisation and conflict between the establishment and counterhegemonic blocs representing segments unsettled in their relative positions in the structure of cleavages. This happened in the 1890s with the alliance between the Liberals, indigenous communities, and new mestizo middle-classes. On the other hand, a coherent counterhegemonic bloc did not form soon after the Chaco War. The variation is explained by the cumulative effects of social change, the intensity of

the tandem of shocks of the *Great Depression*/Chaco War, and the increased influence of a polarised international political environment. This made it more difficult for the challenging forces to articulate an alliance. All the above explains the protracted character of the state crisis that led to the Revolution of 1952, as opposed to the relatively fast cycle of polarisation before the Federal War. However, the underlining process is the same, namely the system experienced a process of polarisation between two blocs upholding contradictory legitimisation agendas.

### **3.3.3 Constitutional Moments and the Gap between Legality and Legitimacy**

The state crises studied in this chapter, were preceded by windows of opportunity to close the gap between legality and legitimacy through attempted constitutional agreements. However, the parts in conflict refrained from reaching such a consensus, which gave way to both state crises.

#### **Federalism and the *Issue of the Capital*: The Constitutional Moment of 1898**

After the revolts surrounding the Municipal elections in La Paz, mentioned in Section 3.3.1 the regional conflict reached its peak. The Conservative President Fernandez Alonso saw it to be convenient to govern from La Paz to control the situation; however, the population of Sucre fiercely protested his decision. Conservative MPs from Sucre then proposed to pass a law by which Sucre's status as the official capital would be defined and the city would be declared the permanent seat of government (Arguedas, 1922; Roca, 2007b). The Conservative representatives of La Paz, under pressure from their region, opposed this Law, joining the Liberals and abandoning parliament. As a response to this legal manoeuvre from the south, a representative from La Paz, Isaac Campero "presented a project to reform the Constitution declaring Bolivia a federal state (Mendieta, 2010). Campero's project was rejected by the Conservative majority; whereas the law declaring Sucre as the official seat of government was passed<sup>20</sup>. The legality of the decision could not be challenged by the representatives of La Paz, but by abandoning congress and joining a popular revolt, they challenged its legitimacy. The gap between legality and legitimacy gave way to an armed struggle in which legitimisation, mobilisation, and violence engulfed the country.

---

<sup>20</sup> *Ley de Radicatoria*.

The Liberals activated their alliance with indigenous and popular sectors, using the discourse of federalism as a legitimating focal point. The country would be federal and La Paz its political centre (Irurozqui, 1994). Those representatives from La Paz that abandoned congress, used the city's municipal government as the centre of a parallel federal government and legitimised their position by calling a popular *cabildo* (Condarco Morales, 1982). The municipal government of La Paz declared itself in open disobedience and began to collect contributions to buy arms. Pressured by popular mobilisation, the prefect of the department – the Conservative Reyes Ortiz, joined the movement. Military units based in La Paz deserted and joined the rebellion. The indigenous Aymara populations from the surrounding Titicaca Lake completed the military alliance, which defeated the national army, in turn backed by volunteers from Sucre, in consecutive battles during 1899.

The alliance between the Liberals and the indigenous Aymara communities, as mentioned in Chapter 2, is unprecedented in Latin America, especially because the indigenous support was determinant for “the victory of La Paz” (Zavaleta, 2008: 110; Condarco Morales, 1982). However, at some point during the war the indigenous population started to attack both the Conservative and the Liberal armies (Langer, 1999). Once in power, Pando executed the indigenous leader Pablo Zarate Willka, an episode that gave way to an existential debate surrounding the role of the indigenous population in the definition of the national question, a debate that resonated in future state crises.

Consecutive Liberal governments continued the dispossession of communitarian lands, triggering further episodes of rebellion and migration to the cities, where discrimination against indigenous persons acquired renewed salience, deepening the ethnic divide. Regarding to the federalist claim, the Liberal Party was divided over the issue and abandoned the proposal. In practice, the result of the war was a shift in the hegemonic centre of power from Sucre to La Paz, and not the decentralisation of the state. Finally, the rise of new popular sectors was not welcomed by some factions within the Liberals, fostering a divide between them and the party leadership, which finally led to the party's fragmentation in 1914.

### **From the *Problem of the Indio* to the *Problem of the Peasant*: The Constitutional Moment of 1938**

A similar constitutional moment took place during the constitutional convention of 1938. Under the banner of *Military Socialism*, first David Toro and later German Busch attracted the working classes and the nationalist ex-combatants to their side. They called a constitutional convention in order to re-legitimise the estate and close the gap between legality and emerging re-legitimation discourses. The so-called traditional parties abstained from participating in the convention, challenging its legality and legitimacy, on the basis that it was called by a military regime. The regime extended the space for political representation to allow for the participation of corporative popular sectors traditionally excluded from parliamentary politics. Due to the corporatist composition of the convention, debates gravitated around the need for socio-economic changes or, in other words, the class question.

During the debates, Augusto Cespedes, one of the nationalist ideologists declared:

“Our crisis is complex; it is a crisis between two generations against the background of a changing world. The old generation is still dominant in politics, economics, finance, and society... [On the other hand] the new generation has not been able to prepare, for itself, a system of beliefs... Moreover, given that its participation in [the Chaco War, which] altered its physical integrity, its conviction in the old beliefs... [the new generation came to the Assembly] equipped with desires, passions; not with plans, methods or systems...” (Cespedes quoted by Klein, 2009:324).

According to different members of the convention, the Chaco War:

“...demonstrated the structural weakness of the state, its lack of social cohesion, the poor articulation between its parts, its scarce population, the lack of population in big extensions of its territory and the existence, finally, of an important part of the population not incorporated to nationality” (Barragan, 2006:98 quoting the convention member Eguino Zaballa).

According to another representative, Bolivia was not a nation because its regions were disarticulated from each other. Furthermore, the racial heterogeneity of its population made of Bolivia “the country of distances and not of encounters” (Ibid, quoting the convention member Lanza Solares). The national question was thus raised as an unresolved issue.



The class struggle as the language through which the new political forces interpreted the critical juncture, this became evident when the representatives debated *a possible solution to the problem of the indio*. Walter Guevara Arze, who later became a prominent leader of the MNR, rejected the liberal ideas according to which the education of the *indio* the answer to his problems. In a very similar way in which Haya de La Torre depicted the problem thinking about Perú, Guevara claimed that the problem of the *indio* was the problem of land. According to Guevara “it [was] because the *indio* ha[d] no land, that he [could not] be a citizen...[Therefore], the problem of the *indio* [was] an economic problem” (quoted by Barragan, 2006:148). Finally, Guevara proposed to avoid the use of the word *indio* in the new constitution, because it was derogatory” (Ibid:149). A proposal for a specific section referring to the problematic of the indigenous population, was defeated by 49 votes against 36. The text of the constitution of 1938 consequently contained a section entitled: *On the Peasant* (Ibid, quoting the Bolivian constitution of 1938). Up until the constitutional reform of 1994, Bolivian law avoided the use of the terms *indio* or *indigenous*.

The common sense in the convention was that the state was economically weak because it was a policeman administering the interests of imperialism (Ibid). Thus, there was a need to strengthen the role of the state in the economy, and to transform it into the “propeller of the overall economy and progress...in sum, a social state” (Ibid).

Regarding the regime, its institutions and principles, the majority agreed on the fact that democracy could exist only if it secured the social and economic rights of the workers and the peasantry. The convention marked a rupture in Bolivian constitutionalism because it adopted the guidelines of *constitucionalismo social*. Nevertheless, because the so-called traditional parties abstained from participating in this convention, the constitution of 1938 was not legitimate in the eyes of all the relevant stakeholders. Therefore, the convention could not bridge the growing political divides. Furthermore, because the counter-hegemonic bloc was highly fragmented within, the constitution of 1938 was not evenly supported by a stable majority. Therefore, the convention of 1938 failed to articulate legality with the contending legitimization discourses. This gave way to a period of deep political fragmentation and later to polarisation, as was analysed in Section 3.3.2.

When the MNR was unlawfully denied its legitimate electoral victory in the general elections of 1951, the party approached the police forces of La Paz and with the support of urban militias and factory workers, launched an armed revolt. When the Army was about to control the rebellion, groups of miners took the city of Oruro and seized a convoy full of ammunition, causing the final defeat of the military forces. (Malloy, 1970; Dunkerley, 1987; Klein, 1969; Zavaleta, 1998).

### **3.3.4 Comparative Analysis**

The most important point extracted for the comparison of both constitutional moments, is that the gap between legality and legitimacy has been the key causal mechanism in precipitating both state crises. As the parts in conflict struggled to defeat their opponents, the country faced a situation of a divided legitimacy detached from the legal system, namely a constitutional crisis. The Constitutional Convention of 1938, or the debates over *Ley de Radicatoria* in 1898, represented opportunities to close the gap between legality and these legitimacies. The mere existence of these constitutional moments is telling of the existence of an understanding of the importance of the constitution for processing conflicts surrounding the legitimacy of the state. However, these constitutional moments failed in this regard because the parts in conflict refrained from a political compromise inside the legal mechanisms at their disposal, claiming to have a superior legitimacy than their opponents. In sum, these constitutional attempts failed because the gap between legality and legitimacy was replicated within these constitutional forums, pushing the country further into a spiral of legitimization and violence.

## **3.4 Conclusions**

The similarities and variations between the state crises analysed in the present chapter support the theoretical framework underlining the present thesis. First, incremental social changes explain the disruption and politicisation of the structure of cleavages, which in turn affected the legitimacy of the state and political institutions. Furthermore, the analysis also supports the hypothesis regarding the complementary role played by external shocks, adding a layer of intensity, volatility, and politicisation of social cleavages.

After decades of decay, the economy of the country experienced a period of economic growth by the 1860s. This trend acquired a peculiar geographical pattern which disrupted the relative positions of La Paz and Sucre in the balance of powers. These socioeconomic changes also shifted the relative position of the indigenous communities in the balance of powers, as their autonomy diminished with the breakdown of the *reciprocity pact*.

The situation of the indigenous communities was further weakened after the rupture of the military alliance between the victorious rebel army of La Paz and the indigenous leaders. Furthermore, the consolidation of the exports of tin as the main sources of economic growth cemented the primacy of La Paz as the country's centre of gravity for decades to come. The comparison between both processes explains how and why the class cleavage became the focal point of social conflict when the country experienced the external shock of the *Great Depression*. In sum, notwithstanding their direction, social changes, punctuated by intense and volatile external shocks, explain the disruption and politicisation of the country's historical cleavages, at different stages of its modernisation.

In both cases, when representative institutions lost legitimacy, this led to a process of polarisation reflected in the rise of counterhegemonic blocs representing segments unsettled in their relative positions in the structure of cleavages. This happened in the 1890s with the alliance between the Liberals, indigenous communities, and new mestizo middle-classes. On the contrary, a coherent counterhegemonic bloc did not form soon after the Chaco War. The variation between both periods can be explained by the level of modernisation of the country, the intensity of the tandem of shocks of the Great Depression/Chaco War, and the ideological influence of a polarised international political environment the political in Bolivian politics during the 1930s and 1940s. This made more difficult for the challenging forces to unite and shaped the protracted character of the state crisis that led to the Revolution of 1952, as opposed to the relatively fast cycle of polarisation before the Federal War. In both cases, however, the underlining process is similar, the system experienced a process of polarisation between two blocs upholding contradictory legitimisation agendas.

In both cases, electoral participation was legally restricted to the elites. Hence, the difference between the increasing velocity and scale of social change, and the limited space for the participation of society in formal politics, created a bottle-neck effect which later

undermined the legitimacy of the overall system. For obvious reasons of timing, the bottleneck effect was much more pronounced in the late 1920s than in the 1890s. However, in both cases, municipal governments served as fissures through which the de-legitimizing coalition of challengers introduced their de-legitimizing claims into the formal political space.

Finally, in both cases, the relationship between the structure of legitimacy and the legal/constitutional system, was the key variable explaining the outcome of the state crises. In a first stage, the relationship between legality and legitimacy experienced important levels of strain but the political system managed to absorb new actors, namely the Liberal party in the 1880s and the Republican Party and its splinters in the 1920s. These actors partially represented the counter-elites and other actors resulting from the disruption and politicisation of the structure of cleavages. However, in a second moment, external shocks triggered a spiral of de-legitimation and a rupture between legality and legitimacy. The emerging coalitions upholding new discourses for the re-legitimation of the state and political institutions soon lost trust in the electoral system and the rest of representative institutions. In a third moment, constitutional conventions were called to establish new rules as a mechanism to close the gap between legality and these contending legitimacies. In both cases, however, constitutional change failed to re-establish political order, because the gap replicated itself within these constitutional forums, deepening polarisation and leading to a spiral in which legitimization and violence installed as the drivers of the overall social system.



## Part II

### The Conjuncture that Lasted Twenty Years

*“Bolivia se nos Muere!”*

*“Si por coyuntura se entiende un periodo de 20 años, [entonces el D.S. 21060] es coyuntural.”*

Víctor Paz Estenssoro (1985)

In 1985, Víctor Paz Estenssoro, leader of the 1952 Revolution, issued the Decree No 21060, through which Bolivia implemented a New Economic Policy (NEP), which drastically changed the development model established after the Revolution towards neo-liberalism. The paradoxical nature of this episode was captured by a journalist who asked Paz if the NEP was a structural or a conjunctural policy. The President, unaware of the *prophetic* character of his answer, replied that it was a conjuncture that would last for approximately twenty years. In the present part, I will investigate into the social and political changes experienced by Bolivia in the last three decades of the 1900s and the early 2000s. These changes result from the juxtaposition of the legacies of the revolution, namely Revolutionary Nationalism (RN) and neo-liberalism. They impacted the structure of cleavages and its relationship with legitimacy and legality, to set up the conditions of the state crisis analysed in Part III.

#### II.1 The Legacies of the Revolutionary Nationalist Political Order

The coalition that led the Revolution of 1952 was in permanent tension between the two projects of society that emerged between 1932 and 1952: the project of a socialist society imagined by the leftist POR and PCB, as well as the COB; and the project of a bourgeois society backed by a strong national state, imagined by the core of the MNR and later by consecutive military regimes. In the first years after the revolution, however, there was a consensus surrounding the main policies to be adopted, namely the nationalisation of mines; a radical agrarian reform, mainly in the western highlands; universal suffrage and primary education, including rural communities. Under RN, the ethnic and regional cleavages were subsumed under class categories and Bolivia was imagined as a nation of *mestizos* with a strong and centralised bureaucracy. Paradoxically, however, one of the key policies

unleashed by the MNR was to open a road connecting the western highlands with Santa Cruz, funnelling resources from COMIBOL, to be invested in the creation of an agro-industrial outpost in Santa Cruz. This policy was known as *la marcha al oriente* (the march to the east). During these years, the COB and the MNR co-governed. Three ministers, including the minister of mines were members of the COB; whereas the miners' trade union had a veto power in the board of directors of COMIBOL. The COB believed that the policies unleashed by the revolution will lead to socialism; whereas the MNR envisaged a national but capitalist development model.

Therefore, between 1956 and 1960 the COB and the core of the MNR were at an impasse. The MNR then reconstructed the army, mobilised and co-opted the peasant trade-unions and other sectors to side-lined the COB and the leftist political parties. In order to secure the support of these functional segments, RN governments channelled economic funds for its supporters in a corporatist manner. When an empowered military opted to overthrow the last government under the MNR, in 1964, RN did not collapse but rather moved closer to an ISI development model.

### **Legitimation, the Peasantry and Santa Cruz under RN**

It is out of the scope of this thesis to analyse the period between 1952 and 1982. However, it is enough to highlight that the process of legitimation relied on cascade-like clientelistic network for the distribution and re-distribution of land, capital and other economic benefits, in exchange for electoral support and mobilisation to confront the left and the COB. The government of Rene Barrientos – 1964-1969, institutionalised this relationship in the form of the so-called *Pacto Militar-Campesino* or Military-Peasant Pact. However, the emergence of a dense network of intermediaries connecting the rural producers and the cities, and the progressive *oligarchisation* of the agrarian trade-unions, led to the opening of a gap between the base and the leadership of the peasant trade-unions.

The manipulation of the peasantry by the state ended abruptly during the Banzer regime, in 1974. Since Banzer found an alternative constituency in Santa Cruz, he relied less on the peasantry for the legitimation of his regime. When peasants from Cochabamba blocked the road in the valley between Cochabamba and Santa Cruz, demanding favourable policies,

this<sup>21</sup> triggered a fierce response from the Banzer regime, who ordered a military intervention in which around 200 persons died (Dunkerley, 2003).

In a parallel way, independent Aymara rural trade unions began a campaign against the nation-building program enacted by RN. One of these groups launched the so-called *Tiwanaku manifesto*, in 1973, denouncing leftist and rightist ideologies as alien, serving *western* interests and subjugating Bolivian indigenous peoples. They considered that Quechuas and Aymaras were peoples stripped of their rights to nationality (Ibid) and that the real conflict in Bolivia was between indigenous and non-indigenous sectors. The valley massacre gave a justificatory voice to this ideology called *katarismo*<sup>22</sup> and led to the rupture of the Military-Peasant Pact. By 1979, a new peasant federation was created, and led by *kataristas* changed its name to *Confederación Sindical de Trabajadores Campesinos de Bolivia – Tupak Katari* – or CSUTCB-TK.

In 1983 CSUTCB-TK launched a new political thesis in which they proposed the creation of a *Plurinational State*, a “plurinational and pluricultural society” in which the unity of the state should allow for “the development of the nations...that integrate it” (CSUTCB, Tesis Política, 1983:10), under the principle of self government. These were the ideological sources for the creation of different *katarista* parties, being the most important ones the radical MITKA and the MRTK<sup>23</sup>. In just a couple of months *katarismo* overtook the leadership of the peasantry, (re)installing the ethnic cleavage as a contentious issue for the foundational legitimacy of the Bolivian state.

According to Rivera Cusicanqui (1987), the rise of *katarismo* is related to the combination of two factors. Those rural Aymaras who migrated to La Paz in the 1960s and 1970s were disenchanted with the idea of *mestizaje*, because they suffered ethnic discrimination. They were also disenchanted with the clientelistic and progressively vertical forms of state manipulation and co-optation of *sindicatos agrarios* (rural trade-unions). The emergence of CSUTCB-TK is thus telling of a legitimacy crisis of the peasant trade-union leaders. The

---

<sup>21</sup> Known as *The Valley Massacre*.

<sup>22</sup> *Katarismo* refers to *Tupak Katari*, an Aymara leader who led a massive rebellion against the Spanish Crown and the white elites of La Paz, in 1780.

<sup>23</sup> Movimiento Indio Tupak Katari and Movimiento Revolucionario Tupak Katari, respectively.



emergence of *Katarista* parties, in turn, expresses a crisis of representation of the MNR in the Aymara country side. Finally, the demand for the re-construction of a *Plurinational state* speaks of a foundational legitimacy crisis of the national project upheld by RN. In sum, corporatism and clientelism lost legitimacy as intermediary institutions between the organised peasantry and the state.

After the revolution, a second powerful actor emerged in the eastern lowlands. In 1956, the *Civic Comitee of Santa Cruz* managed to pressure the MNR government to grant 11% of royalties to the oil producing departments. From this point on, the regional elites gathered around this *Civic Committee* to advance the regional interests. The organisation gained more power as *the march to the east* became successful. The Civic Committee soon became the most legitimate intermediary between the state and the region and the model was replicated in every other department (Roca, 2007b). Over the years, departmental civic committees transformed into a nationwide social movement whose main demand was for Bolivia to adopt decentralise and create elected departmental governments.

## **II.2 The Crisis of Hyperinflation and the Fall of RN**

Between 1978 and 1982 Bolivia experienced a new period of political instability marked by the presence of seven presidents, three selected in general elections and four *coups d'état* (Laserna, 1992). A general consensus about the need to abandon military rule finally led to the re-instalment of democracy. A coalition of leftist parties that won the 1980 national elections – UDP<sup>24</sup>. In 1982, Hernan Siles Zuazo, the second man of the 1952 Revolution and founder of a leftist version of the MNR, in alliance with the MIR, the Christian Democratic Party and the Comunist Party (Anaya, 1999), formed a government.

The UDP, once in power, pushed for a left-oriented, highly redistributive version of the RN policies. However, against the background of a high public debt, these reforms triggered the highest hyperinflation in Bolivia's history and one of the highest in the world in peace times. The inflation rate reached “123% in 1982, 276% in 1983; 281% in 1984; and 11.750% in 1985” (Morales and Pacheco, 1999:182). Between 1982 and 1985 GDP fell by 6%; whereas GDP per-capita fell by 11.5% (Morales, 2012). Furthermore, unemployment

---

<sup>24</sup> Unidad Democrática Popular.

rose to 12% in 1982 and Bolivia's informal sector expanded (FES-ILDIS, 2010), as did the illegal exports of cocaine (R.A. Mayorga, 1987).

The politics behind these economic policies explain this outcome. After 1952, disregarding the important variations in terms of policy; neither the MNR nor any of military governments escaped from the ideological spectrum of RN. Writing in the early 80s, Roberto Laserna stated that "in the last thirty years, there seems to be no possible legitimacy outside Revolutionary Nationalism" (p.54). After all, the core of the UDP was formed by a leftist splinter of the MNR.

Furthermore, the COB and the re-founded CSUTCB pushed for more redistributive policies. The response of the government was to raise wages and control prices (Ibid). The COB demanded the return of the co-management of COMIBOL, in which the miners should be in a majority (R. A. Mayorga, 1987; Laserna, 1992). The CSUTCB demanded co-management of every single project related to the agrarian development (Rivera Cusicanqui, 1987). However, after thirty years of social change the Bolivian society was more complex, and other powerful actors had emerged. The UDP, the COB and the CSUTCB did not understand this new context.

Moreover, the UDP did not have a majority in congress and saw its legislative initiatives constantly blocked by the MNR and the ADN<sup>25</sup>. Against this background, in March 1985 the COB called for the longest strike in the history of Bolivia. This gridlock resulted in an exercise of mutual de-legitimation performed by the COB and the UDP. Consequently, nationalist and socialist parties and movements were increasingly perceived as unable to resolve the crisis. The COB apparently no longer represented the demands of the overall Bolivian society.

Why didn't the nascent democratic system collapse under such an acute crisis? The answer to this question lies in the fact that between 1952 and 1985 the institutions of liberal democracy were not functioning in reality. Legitimation was secured by the distribution and redistribution of resources from the state-led economy to different sectors, in exchange of political support. This support would take a plebiscitarian form, at times; but it would

---

<sup>25</sup> The new right-wing party founded by Banzer in the late 1970s

mostly adopt the form of social mobilisation. In both cases, however, electoral or clientelistic legitimation bypassed the formal political institutions enacted in the constitution of 1967, which formally established liberal democratic institutions.

Hence, the Bolivian transition to democracy took place under the rules enacted in the constitution of 1967, ineffectual up to that point. It is under these rules that the political system had to work between 1982 and 1985. Nevertheless, the COB, the UDP and the political parties in congress, all born and raised during RN, proved unable to adapt to these institutions and to reach a consensus to tackle the crisis of hyperinflation.

The process of modernisation unleashed by the Revolution of 1952 transformed Bolivia into a much more complex society. These changes disrupted the structure of cleavages and changed the relative positions of old and new actors that emerged in cities and rural areas across the country. It was out of these sectors that the demands for departmental decentralisation and a plurinational state emerged. Political parties also re-emerged or were founded after years of dictatorship. These sectors sought to replace the COB as legitimate representatives of the people.

In sum, the formal democratic edifice set up in the 1967 constitution did not collapse when the RN state fell in 1985; on the contrary, the informal political institutions that shaped the relations between the state and society since 1952 were the ones that collapsed together with RN. Although the informal institutions in place under RN did not disappear, they gave way to the formal democratic institutions to gain legitimacy, at least for a conjuncture that would last for two decades.

## Chapter Four

### From Modernisation to Glocalisation in Bolivia (1970s-2000s)

*“Nosotros, los campesinos quechuas y aymaras lo mismo que los de otras culturas autóctonas del país decimos...En Bolivia no ha habido una integración de culturas sino una superposición y dominación habiendo permanecido nosotros, en el estrato más bajo y explotado de esa pirámide.”*

Manifiesto de Tihuanako, 1973

*“Queremos que por lo menos nos dejen seguir siendo collas.”*

Relocated Miner, 1985<sup>26</sup>

*“Where does the worker come from? The worker comes from the migration of the country side... Their ancestral root, the very mother from where they have come, has been from the skirt (pollera) of the Indian women.”*

Felipe Quispe, el Mallku, 1999<sup>27</sup>

In the present chapter, I will trace the main socio-economic and cultural changes experienced by the Bolivian society in the last three decades of the 20<sup>th</sup> century and the early 2000s. The objective of the analysis is to explain the impact of these changes on the ethnic, regional and class cleavages characteristic of the Bolivian society. The importance of the analysis resides in the fact that these changes disrupted the structure of cleavages, changing the relative positions and the balance of powers between different ethnic, regional and class groups, and thereby they paved the way for the re-opening of the gap between legality and legitimacy at the beginning of the present century.

---

<sup>26</sup> Quoted by Roberto Laserna in his book: *Productores de Democracia. Procesos políticos en Bolivia (1971-1991)*.

<sup>27</sup> Quoted by Jose Antonio Lucero in his book: *Struggles for Voice. The Politics of Indigenous Representation in the Andes*.

## 4.1 Socio-economic Change

### 4.1.1 External Shock and Shock Therapy: Entering Neo-liberalism

The economic collapse experienced by Bolivia during the hyperinflation of 1982-1985 was soon matched by the political collapse of the UDP<sup>28</sup>, and gave way to the adoption of neo-liberal reforms implemented by a coalition government integrated by the MNR and the ADN. President Paz Estenssoro relied on a technocratic team out of which Gonzalo Sánchez de Lozada – Minister of Planning and Coordination, was the most relevant figure. Three weeks after assuming office, Paz Estenssoro issued the decree 21060, through which the NEP was applied. In September 1985, Sánchez de Lozada presented the pillars of the NEP to a group of academics and policy makers in La Paz<sup>29</sup>.

Sánchez de Lozada pointed out that the aim of the NEP was to change the *pattern of accumulation* installed in 1952, by which the entire economy relied on the revenues obtained from the mining sector, which in turn were invested in the creation of a subsidised system of public companies (FES-ILDIS, 2010). The MNR understood that this model did not correspond to reality anymore, and that a new model was needed, which was supposed to benefit the rural sector, the historical support basis of the MNR.

The main policy instruments to face hyperinflation were the *elimination of the fiscal deficit*, *the establishment of a flexible exchange*, *the rationalisation of public employment* through the so-called relocation, or *relocalización* in Spanish, by which the dismissed workers would be given access to an emergency fund. After a shock period, it was expected that the job market would recover. Other policies aimed at *lowering import barriers* through a flat tax rate of 10%, *boosting exports* and *increasing tax collection* through a tax reform.

Public companies and the national development corporation were decentralised to render them more efficient and to weaken the influence of trade unions. This was especially the case of COMIBOL, in which the *co-gestión* model was still in place. Since COMIBOL was

---

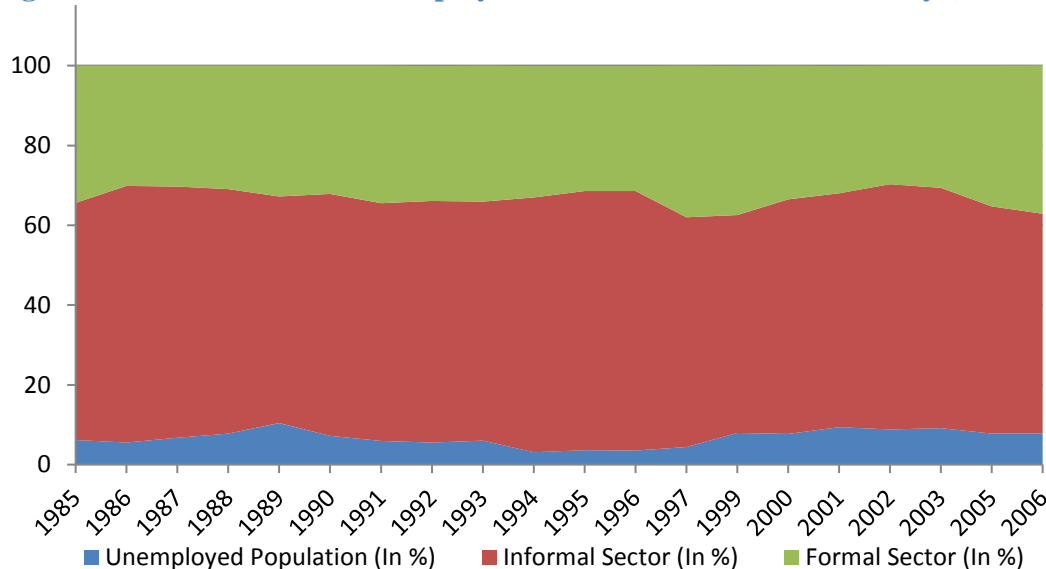
<sup>28</sup> See Chapter 5.

<sup>29</sup> This group was the *Economic Forum* sponsored by the Friedrich Ebert Foundation-Latin American Institute for Social Research, and led by the Bolivian social scientist Carlos Toranzo.

also in an acute financial crisis, more than 70%<sup>30</sup> of the mining workers lost their jobs<sup>31</sup>, in addition to 10% of the employees of the overall public sector (Laserna, 1992; HDRB, 2005; Morales, 2012). The situation deteriorated even further when the prices of tin collapsed in the international markets in October 1985<sup>32</sup>.

One of the most important effects of the hyperinflation crisis was the increase on the size of the informal and illegal sectors of the economy. Bolivia already had one of the highest percentages of informal workers in Latin America. However, this trend was amplified after the implementation of the NEP, as shown in Figure 7. Relocation triggered a new wave of migration. Many former miners moved to the informal commercial sector, transportation, and other related activities in the urban areas. Suddenly, cities such as Santa Cruz and the outskirts of La Paz – El Alto – started to receive a renewed influx of migrants (Langer, 1999; HDRB, 2005).

**Figure 7 The Evolution of Unemployment and the Informal Economy (1985-2006)**



Source: Own Elaboration based on Morales, 2012

<sup>30</sup> Close to 23.000 employees according to the Bolivian Human Development Report, 2010; 21.000 out of 27.500 according to J.A. Morales, 2012.

<sup>31</sup> This policy was labelled as *relocalización*.

<sup>32</sup> According to Jordan Pozo (1999), the international prices of tin fell by more than 50%.

Bolivia became a big player in the growing global market of cocaine during the 1970s. By the 1980s, it was estimated that cocaine exports constituted 6% of Bolivia's GDP and around 60% of its total exports (Laserna quoting Machicado, 1992; Lucero, 2008)<sup>33</sup>. After *relocation*, "thousands of unemployed miners and their families moved [to the Chapare region and] cultivated coca leaf for export" (Van Cott quoting Patzi, 2007:57, Langer, 1999). The *laundry* of these illegal money strengthened the informal economy as well as the smuggling of goods. Hence, the unintended consequence of the response of the Bolivian economy to its first encounter with globalisation – the debt crisis, was followed by its second encounter with the phenomenon – the transnationalisation of organised crime and the informal economy.

"When Paz Estenssoro opened the country to the forces of the outside world, through the NEP, he also made possible the growth of the most profitable export-oriented product of the country, cocaine... [and through this, he opened the door for] the Chapare's coca growers to play an important role in Bolivian politics" (Langer, 1999:85).

In sum, by the late 70s, RN was reaching its limits as a development model. On top of this dynamic, the country experienced the external shocks triggered by the debt crisis of the late 1970s, and later by the collapse of the prices of tin. The redistributive bias of the nationalist-leftist coalition that formed the UDP, deepened the crisis even further. Hence, when the coalition between the MNR and the ADN formed a government in 1985, they made a radical shift through the adoption of the NEP. Through the NEP, neo-liberalism was consciously adopted in Bolivia, and the country was inserted in the postulates of what was labelled as the *Washington Consensus* (Williamson, 1993).

## **4.2 Socioeconomic Change under Neo-liberalism**

The impact of neo-liberalism on the legacies of RN triggered important changes in the socioeconomic structure of Bolivia. i) The diversification of the economic structures and the enlargement of the middle class; ii) a sustained trend of social development, unmatched by a volatile and modest economic growth; iii) changes in the geography of development characterised by the rise of the south-eastern lowlands, particularly the department of Santa

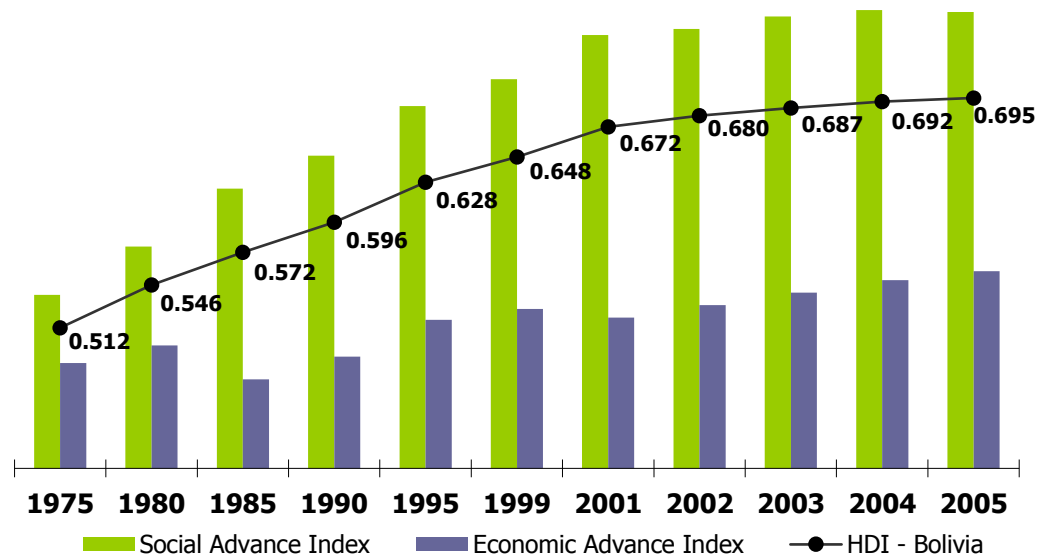
---

<sup>33</sup> Flavio Machicado, a former Minister of Economy calculated, in 1990, that in 1987, Bolivia would have have matched the country's balance of payment's deficit.

Cruz, as the economic propeller of the country; iv) a two-fold process of mass migration, from rural Bolivia to urban Bolivia, and from the western highlands to the southern lowlands; v) the sustained growth of informality, and vi) a reconfiguration of the relationship between class and ethnicity. I will turn now to analyse these changes.

#### 4.2.1 Development without Growth

**Figure 8 The Gap between Social and Economic Development in Bolivia (1975-2005)**



Source: HDRB, 2010

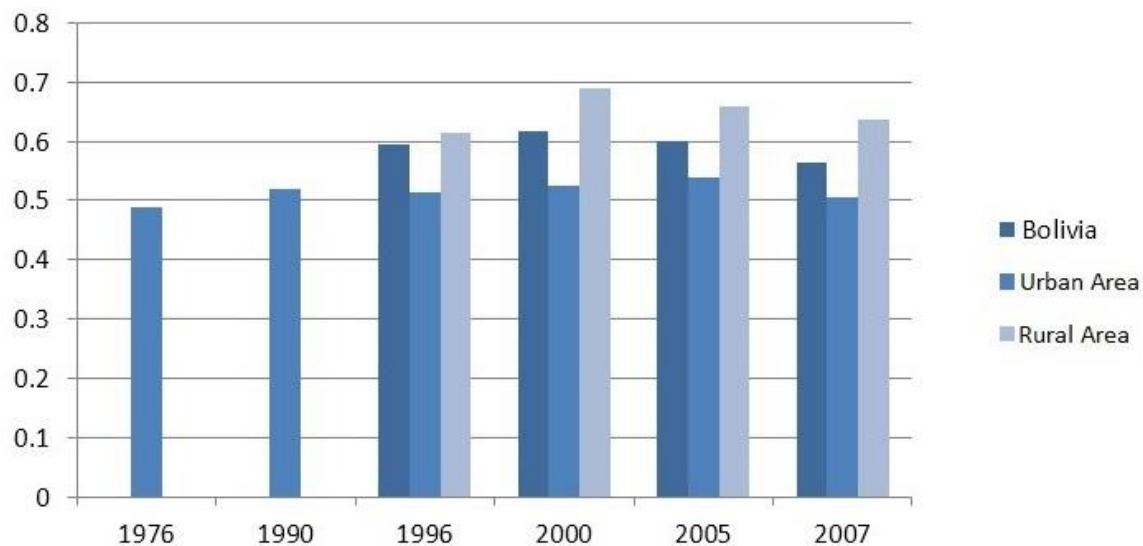
“Between 1980 and 2007, Bolivia advanced from position 57 out of 82 countries, to position 113 out of a total of 177 countries in the Human Development Index (HDI) world ranking. In this period [the country] rose from a lower-medium (0.512) to a higher-medium level of human development (0.729)” (HDR, 2010:6). This sustained improvement, however, can be explained mostly by the social components of the HDI. Life expectancy rose from 45 to 65 years and the literacy rate rose from 63% to 91%. The story of economic growth was less successful throughout this period. The country experienced one of its worst economic crises in 1982-1985. After the stabilisation and the adoption of structural reforms, the rates of GDP growth averaged 2.8% between 1985 and 2004. Economig growth averaged 0.5% in per capita terms (HDR, 2005). What’s more, between 1999 and 2001 a new external shock impacted the country, namely the so-called *Asian financial crisis*.



Although the disjuncture between social and economic development has been a common trend throughout Latin America, Bolivia shows a particularly sharp manifestation of this pattern, as was mentioned in Section 2.3.1, and is shown in Figure 8. Hence, despite the success of the first generation of structural reforms in tackling the hyperinflationary spiral and recovering economic growth, this growth appears to have been insufficient to match the sustained trend of social development. Social policies were not abandoned by the consecutive governments that ruled Bolivia after 1952, including the neo-liberal ones.

#### 4.2.2 The Moving Middle and the Evolution of Poverty and Inequality

**Figure 9 The Evolution of Inequality in Bolivia (Gini Index, 1976-2007)**



Source: Bonifaz and Lunstedt, 2011, based on Ministry of Human Development, Bolivia; Klasen, 2005 and UDAPE, 2008.

As shown in Figure 9, inequality increased during neo-liberalism, especially in the rural areas. On the other hand, although poverty decreased throughout the period under analysis, its rate of reduction was slower in the rural areas than in the urban ones, as shown in Table 2. In sum, during neo-liberalism the Bolivian society experienced a sustained trend of poverty reduction, especially in its urban areas, in the context of an increasing gap between the rich and the poor, especially rural areas.

**Table 2 The Evolution of Poverty Reduction in Bolivia (1997-2008)**

<b>Extreme poverty in Bolivia (in % of the population)</b>	<b>1997</b>	<b>1999</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2007</b>
Urban Area	22.6	19.8	21.3	20.2	20.2	16.2
Rural Area	61.5	64.7	62.9	58.8	59.8	59
Extreme Poverty (National)	37.2	36.4	37.1	34.7	34.7	31.2

Source: Bonifaz and Lünstedt, 2011, based on data from the ECLAC.

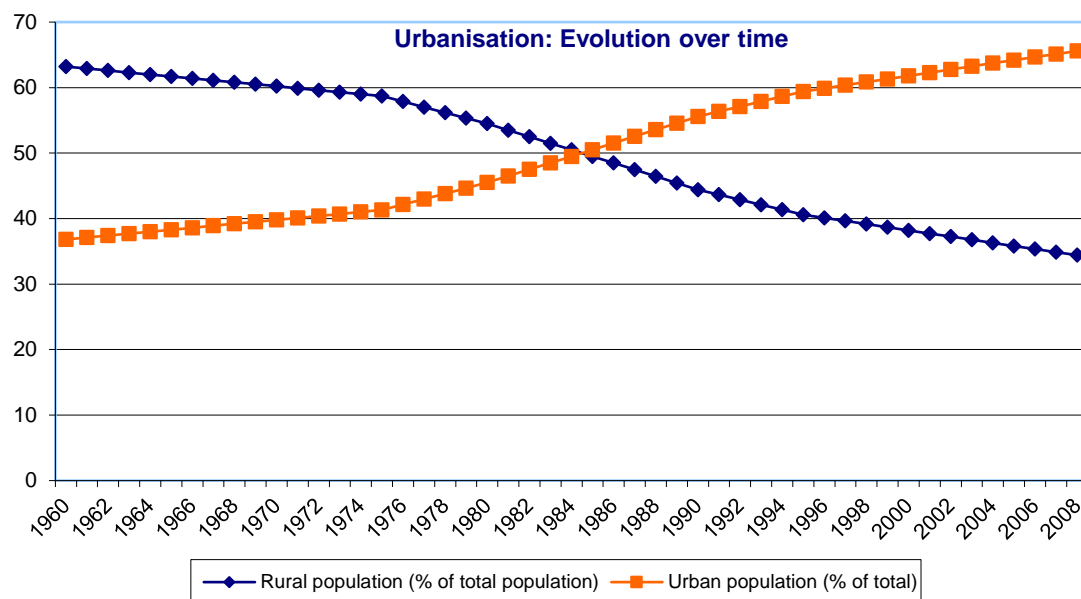
The transition from a state-led development model to a neo-liberal one gave way to a more complex class structure and a more precarious labour market. The reduction of import taxes to the lowest level in the region and the retreat of the state from the productive activities under the NEP, on top of a growing informality and fast urbanisation, are the explanatory factors behind these changes (HDR 2005, 2010).

Another important structural change is related to the sharp reduction of the primary sector, in relation to its tertiary component of the economy. Hence, whereas in 1980, the extractive and manufacturing sectors represented 29% and 14% of GDP, respectively; by 2005 they only represented 21% in the case of the latter, and 13% of the former (Ibid, 2005). The collapse of the prices of tin, in 1985, were highly influential in this regard. While, in 1984, the exports of COMIBOL represented 74% of the overall exports of the country; by 2005 they only represented 24%, mostly represented by the activities of middle and big private companies, and the expansion of the small cooperative system. Before the collapse of COMIBOL, the mining sector employed 77,000 workers; whereas by 2005, it only employed 47,000. In 1984, 27,872 miners, representing 36% of the entire sector worked for COMIBOL; whereas the cooperative system employed only 35% of that working force. By 2005, 88% of the miners were employed in the cooperative sector. In sum, between the 1970s and the first decade of the present century, Bolivia experienced important changes in its socioeconomic structure as shown in Annex 1.

### 4.2.3 People on the Move

A second set of changes unleashed by the Revolution of 1952, and amplified by neo-liberalism, are the demographic and geo-economic transformations experienced in the country in the late 20<sup>th</sup> century. The country experienced a two-fold demographic reconfiguration with no parallel in Latin America. Firstly, the country shifted from a predominantly rural to a predominantly urban society between 1960 and 2001, as shown in

**Figure 10 The Evolution of Urbanisation in Bolivia (1960-2008)**



Source: World Development Indicators Database

By 2001, according to data from the Bolivian census, out of 8.2 million inhabitants, two and a half million were life time migrants, representing 37% of the population older than five years old (HDR, 2010). 62% of these internal migrants reside in what is known as the central urban axis of Bolivia<sup>34</sup> and 20 other medium sized cities. The inflexion point of this process of urbanisation took place in 1984, one year before the implementation of the neo-liberal reforms. Up until 1976, one million Bolivians were lifetime migrants; it took just 16 years for that figure to double by 1992 (Ibid). In other words, neo-liberalism accelerated the process of urbanisation in the country.

<sup>34</sup> Namely the conurbations of La Paz-El Alto, Cochabamba-Quillacollo, and Santa Cruz de la Sierra.

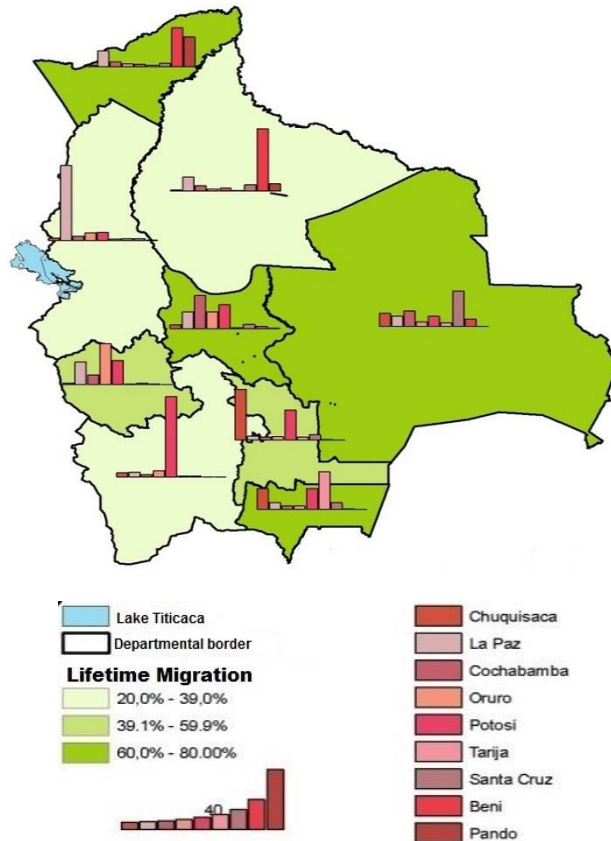
Secondly, except for the Department of Cochabamba, located in the centre of the country; a large part of the population that migrated during this period, did it from the western highlands to departments located in the eastern lowlands. In 2001, the biggest receptors of immigrant population were Cochabamba (67%), Pando (71%), Santa Cruz (65%) and Tarija (63%). In Santa Cruz, out of the 684,000 registered migrants, 15% were born in Cochabamba, 13% in Chuquisaca, 10% in La Paz and 10% in Potosi. In other words, almost half of the influx of migrants to Santa Cruz came from the western highlands of the country. On the other hand, even though the western departments of La Paz and Potosi were recipients of immigrants, these populations were mostly born within the rural territories of these departments, accounting for 74% and 80% respectively (Ibid).

This double dynamic crystallised in the exponential growth of the cities of El Alto – adjacent to La Paz – and Santa Cruz de la Sierra, the capital of the department of Santa Cruz. Between 1996 and 2001 El Alto registered 16,291 emigrants, as opposed to 64,516 immigrants; whereas Santa Cruz de la Sierra registered 65,581 emigrants, as opposed to 120,058 immigrants. As was mentioned before, the growth of El Alto was particularly a partial consequence of the structural reforms unleashed in 1985, since many relocated miners and former public sector employees re-settled there. This happened upon a trend of migration from the rural areas close to the Titicaca Lake towards El Alto, when the land reform reached its limits during the 1970s. This was due to an exponential intergenerational transfer of small plots in the Altiplano, a process commonly known as *minifundia*. Many former COMIBOL miners moved from the eastern highlands to the Chapare region, where many of them entered the coca growing activities (HDRB, 2005).

In other words, neo-liberal reforms redirected the process from modernisation towards globalisation, creating an important demographic shift in Bolivia. The country became a predominantly urban society, and in which the formerly scarcely populated south-west became a net recipient of migrants from the western highlands. What is more, some of these migrants settled in agricultural activities, the most profitable of which was the plantation of coca leaves in the Chapare region. Despite the fact that the process of urbanisation was a trend in the whole of LA; the increasing migration from a hitherto hegemonic geo-economic centre – the western highlands around La Paz city – towards an emerging one –

the department of Santa Cruz – is a very peculiar case in the region. These changes would have important impacts in the reconfiguration in the balance of powers within the Bolivian society, disrupting the dynamics of the class, ethnic and regional cleavages.

**Figure 11 Patterns of Interdepartmental Migration in Bolivia (1976-2001)**

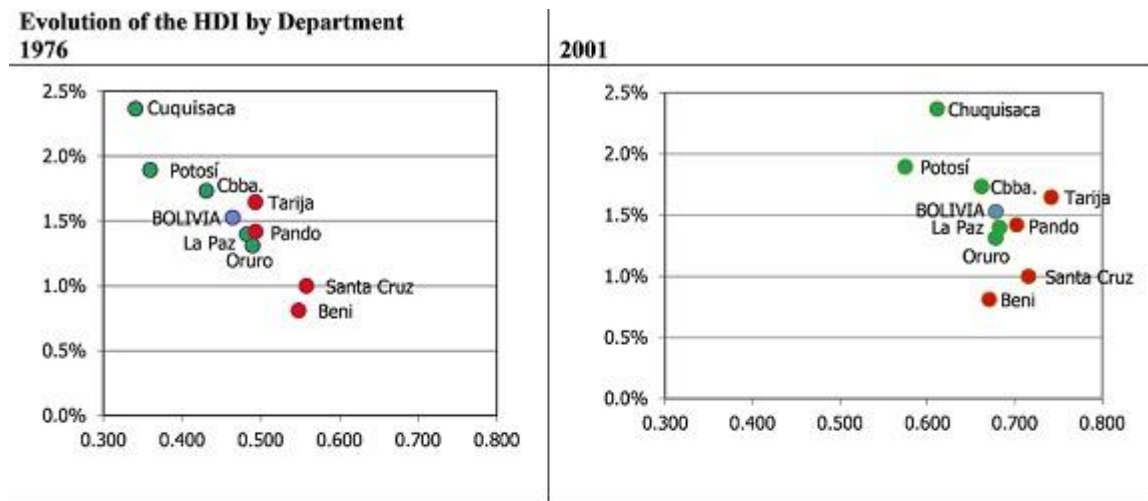


Source: HDRB, 2010

In sum, as we can see in Figure 11, the demographic shift experienced in Bolivia in the last forty decades adopted two main patterns. Firstly, we can detect a sustained migration from rural to urban areas, between and within departments. Secondly, we can also identify migration from the western highlands to the eastern lowlands. Most of this migration adopted a rural-urban pattern; however, in cases such as the coca growers, we can identify a rural-rural trend and even migration from urban and/or mining districts to the Chapare and other lands opened to the agro-industrial activities in Santa Cruz. These changes, furthermore, followed a socioeconomic reconfiguration of the geography of development in the country, when Santa Cruz became the richest department of the country.

#### 4.2.4 A new Geography of Development

Figure 12 The Evolution of Human Development by Department (1976-2001)



Source: Human Development Report for Bolivia, 2010

By 1976, the *march to the east* had accomplished one of its main goals, that of creating a development cluster in the eastern lowlands. In terms of human development, as we can see in Figure 12, the eastern departments of Santa Cruz, Beni and Pando, and the southern department of Tarija (red) were ahead of *Andean* Bolivia (in green) in terms of human development. Twenty-five years later, by 2001, despite the fact that the Department of Beni registered a setback, the pattern held stable. A second element to bear in mind is that there has been a process of convergence between the less developed and the most developed

departments, Chuquisaca being an outstanding example of that trend. All of this, furthermore, took place within an overall improvement in the country's human development.

The key explanatory factors of this geo-economic shift would be the policies adopted by the RN governments, aimed at the creation of an agro-industrial hub in Santa Cruz. Later, the policy of *capitalisation* of the hitherto state-owned oil company YPFB, and the inauguration of a pipeline through which gas was exported to Brazil, gave a second impulse to this trend, benefitting especially Santa Cruz and Tarija, where most of the gas fields are located. Since as of 1957, 11% of the hydrocarbon royalties belong to the producer departments. Once the country discovered these fields and exported gas to Brazil, in 1999, these departments obtained an important influx of resources.

**Table 3 HDI: Santa Cruz, Bolivia and Latin America by 2004**

	<b>Life Expectancy (Years)</b>	<b>Literacy (% per population older than 15 years old)</b>	<b>GDP per capita (100 index)</b>
Bolivia	63.3	86.7	100
<b>Santa Cruz</b>	<b>66.7</b>	<b>92.7</b>	<b>102</b>
Latin America	70.3	89.2	307

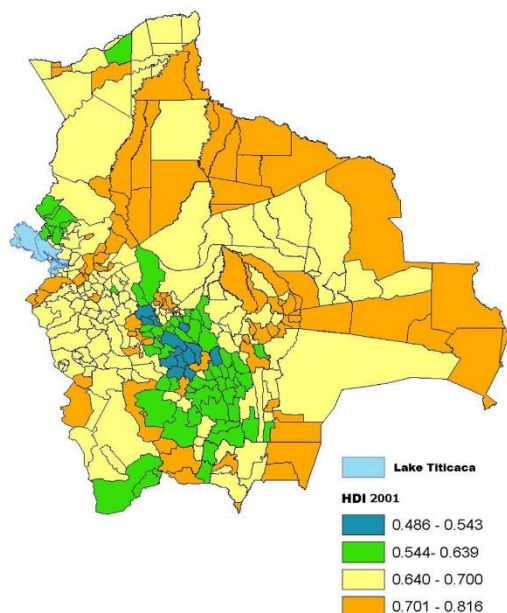
Source: Own elaboration based on the Human Development Report, UNDP, 2003

According to the Human Development Report for Santa Cruz (2003), despite the fact that the the department followed the general trend of the country; by 2003 it was closer to the average for Latin America than the rest of the departments, actually surpassing them in levels of education – as shown in Table 3. It is, nevertheless, important to acknowledge that these patterns of socioeconomic change were not uniform within each department. There

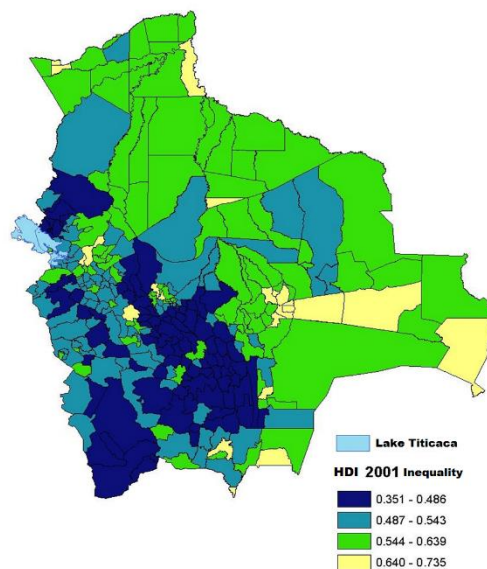
were marked imbalances between rural and urban localities within departments. By 1992, the capital cities were markedly decoupled from the average population of their departments. The gap was extremely significant in the case of the city of La Paz – with a HDI 75% higher than the departmental average, Santa Cruz – 47% higher – and Cochabamba – with a 44% gap. By 2001 it was possible to capture these differences, as shown Figure 13.

**Figure 13 The Geographic Distribution of the Human Development Index by Municipality (2001)**

**HDI by Municipality**



**HDI by Municipality  
(Adjusted by Inequality)**



Source: HDRB, 2010

In sum, in the second half of the 20<sup>th</sup> century Bolivia experienced impressive socioeconomic changes, passing from being a predominantly rural to a predominantly urban society; from having an economic gravity centre anchored in the Andes and based on mining, to a more diversified economy in which the eastern and southern lowlands gained weight *vis-à-vis* the western highlands.

#### 4.2.5 A Tale of Two Cities

Two Bolivian cities capture the patterns of social change analysed above; these cities are El Alto and Santa Cruz de la Sierra. The former is a clear example of the rural-urban trend of migration within the western highlands, and has also been impacted by migration from the mining camps that suffered from the collapse of COMIBOL in 1985; while the latter is a clear example of the convergence of the process of urbanisation and the influx of migrants from the western highlands to the eastern lowlands. Both cities, hence, have been the greatest recipients of these migration waves, as we can see in Table 4 (cities with a positive net migration balance are shown in red; those with a negative balance are shown in blue).



**Table 4 Absolute Number of Immigrants and Emigrants of more than 5 years old (Capital Cities plus El Alto, 1996-2006)**

City	Immigrant Population	Emigrant Population
<b>Santa Cruz de la Sierra</b>	<b>120,058</b>	<b>65,851</b>
<b>El Alto</b>	<b>64,510</b>	<b>16,291</b>
Cochabamba	58,305	57,030
La Paz	50,399	94,063
Sucre	28,311	21,619
Oruro	20,748	29,649
Tarija	17,669	11,794
Potosi	12,973	24,975
Trinidad	11,847	13,841

Source: HDRB, 2010

In 1950, Santa Cruz de la Sierra was a small city of no more than 40,000 inhabitants which had no access to paved roads, running water and electricity. The eastern lowlands contained, by then, one tenth of the total population of Bolivia, despite the fact that they accounted for more than half of its territory. After 1952, a modern highway was built to connect Santa Cruz with the Andes. Furthermore, consecutive RN governments promoted a policy of *semi-directed colonisation* of eastern Bolivia. While by 1976, Santa Cruz de la Sierra contained 255,568 inhabitants; it was inhabited by 1,131,778 people in 2001, and by a million and a half by 2012 (Bolivian Censuses).

These policies, thus, produced a dramatic shift in the demographic composition of a country, usually depicted as mainly Andean, up until very recently. Between 1831 and 1950 Andean Bolivia concentrated between 55 % and 60% of the total population. During the second half of the 20<sup>th</sup> century, however, the share of the population living in the Andes diminished by 16%. The *march to the east* policy, aimed at releasing demographic pressure from the *Altiplano* and the valleys, in favour of an increase in the agricultural output of the eastern lowlands, was successful. By the mid-1900s the economy of Santa Cruz was rather marginal, accounting for merely 6% of the overall GDP; one third less than the average GDP per capita of the country. Fifty years later, the economy of Santa Cruz ranked first, accounting for 30% of the overall GDP and 23% more than the average Bolivian GDP per capita.

The economic success of Santa Cruz is tributary to the intersection of endogenous development efforts and changes in the international economy (HDRB, 2004). Regarding the latter, it is possible to identify clear lines of intervention from the central government, mediated by the regional elites of Santa Cruz. Firstly, the infrastructural integration between the east and the west promoted by the MNR after the revolution created the basis for the establishment of an agro-industrial output and triggered a process of immigration. Secondly, we should underline the targeted policy of agricultural credit channelled to the eastern low-lands, and particularly the production of rice and sugar cane in Santa Cruz between 1955 and 1975<sup>35</sup> (Ibid). Thirdly, the first oil boom experienced by Bolivia during the 1960s and 1970s, a direct result of the policy aimed at the diversification of the economy envisaged by the MNR, benefitted the region through the 11% of royalties received by each producer department.

Regarding the influence of international factors, Santa Cruz benefitted from neo-liberal policies in two ways. Firstly, through the opening of the economies of the Andean Community to the imports of soy beans, a product that soon became the main agricultural export of the country; and secondly by the construction of the gas pipeline between Bolivia and Brazil in 1999, by which the department benefitted once more by being one of the country's reservoirs of natural gas. The conjunction of these trajectories consolidated Santa Cruz as the economic leader of the country. By 2001, the capital of Santa Cruz was the most populated city in the country and ranked second out of 314 municipalities in terms of human development (HDR, 2010).

**Table 5 The Divergence in Human Development Between the Most Populated Cities (2001)**

City	Human Development Index	Position in the HDI Municipal Ranking in 2001
Cochabamba	0.816	1
Santa Cruz	0.815	2
La Paz	0.808	3
El Alto	0.747	22

Source: HDRB, 2010

<sup>35</sup> Between 1955 and 1964, Santa Cruz received 42,6% of the overall agricultural credit of the state owned Banco Agrícola. Between 1970 and 1975, Santa Cruz captured 70% of these credits (Ayo, 2010).

On the other hand, El Alto ranked 22nd in the abovementioned ranking in 2001. It was far behind the capital cities of the departments, all of which scored in the first twenty places. By 1950, El Alto was a marginal suburb of the city of La Paz, inhabited by 11,000 people. By 1960 it trebled its population and by 2001, the population of El Alto had increased to 649,958. During the second half of the 20<sup>th</sup> century, El Alto increased its demographic weight by 59 times and established itself as the second most populated urban centre of Bolivia, only second to Santa Cruz de la Sierra (Bolivian Census, 2012).

This impressive demographic growth, in contrast with the one experienced by Santa Cruz however, was not matched by similar socioeconomic improvements. For example, by 2001 unemployment rates were particularly high in El Alto compared to the ones registered in the other major cities, accounting for 7.1% of the labour force; whereas the rates of unemployment were at 4.7% in La Paz, 3.8% in Cochabamba, and 3.0% in Santa Cruz de la Sierra. In 2001 85.2% of the households in El Alto had access to electricity, 85.9% had access to running water, but only 45.9% had sewerage services. In contrast, 95% of the households in la Paz had access to electricity, 86.8% had access to running water and 94% had access to sewerage (HDRB, 2010).

Even though El Alto seems less *developed*, when compared to Santa Cruz, the city is also the place where the declining industries of La Paz are now based, many of which benefitted enormously of free-trade initiatives such as the ATPDA<sup>36</sup>. Under ATPDA many large-scale and medium-size textile producers consolidated and grew. El Alto is also the place of residence of many small and medium entrepreneurs belonging to what Gray Molina (HDRB, 2005) labelled the popular economy. Popular economy is made of “family-oriented and semi-entrepreneurial economic units that developed survival strategies of economic diversification after the fall of the tin economy” (Ibid.). These strategies range from the establishment of small-scale artisan manufacturing establishments to the insertion in the informal markets of smuggled clothes, cars, and other electronic goods. Consequentially, El Alto has witnessed the emergence of successful entrepreneurs labelled

---

<sup>36</sup> Andean Trade Promotion and Drug Eradication Act approved by the US Congress in 2002. It replaced a similar act called the Andean Trade Preference Act passed in 1991. The aim of these policies was to promote the exports of manufactured products to the US from the Andean countries, to discourage the production of coca leafs and its by-product, cocaine. Bolivia benefitted from this agreement until 2008.

by Carlos Toranzo (2009) as *Burguesias Cholas* or *Cholo burgeoisies*. El Alto is also the base of one of Latin America's biggest informal markets, the so-called *16 de Julio Fair* which opens on Sundays. More than 10,000 vendors trade a value of almost two million US dollars (HDRB, 2010) in this fair every week. In 2005, when Bolivia was still suffering from an economic crisis, the economy of El Alto produced 6% of the national GDP (Atlas de El Alto, 2011)

Going back to Santa Cruz de la Sierra, even though it is known as a *developed municipality*, it also contains pockets of poverty and inequality. The central district of the city, which corresponds largely to what used to be Santa Cruz de la Sierra during the 1940s, registered the highest levels of Human Development of the city by 1992, scoring 0.78 in the HDI. On the contrary, the more distant districts of the city, mostly populated by recent migrants, registered an average of 0.660 in the HDI.

In sum, the cities of El Alto and Santa Cruz capture a big share of the socioeconomic changes experienced by the Bolivian society in the second half of the 20<sup>th</sup> century. They are both impressive recipients of migration waves; although El Alto is a net recipient of a mostly intraregional and rural-urban migration from the highlands. Migration to Santa Cruz is intraregional as well as interregional, it is mostly from other urban centres, and half of its immigrants come from the western highlands (HDRB 2003, 2010). Both cities play a role in the new configuration of the economic geography of the country, Santa Cruz being the economic leader of the eastern lowlands and the country. This happened as Andean Bolivia declined after the collapse of the state-led mining sector in 1985, a decay captured by El Alto. Finally, both cities are sites of accelerated social change, accumulating pockets of wealth and poverty. These cities in other words capture the dynamic in the disruptions and the shifting salience of the regional, ethnic and class cleavages in the last decades. They experienced these disruptions in different forms, which led to the rise of different agendas for the de-legitimation and re-legitimation of the state, as we will see later in the thesis.

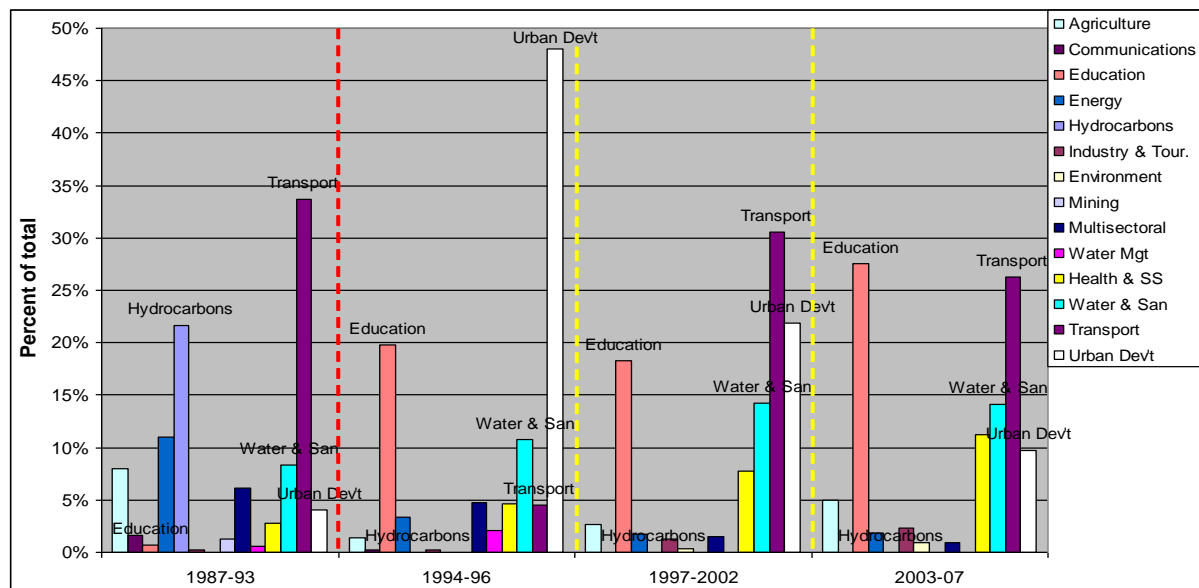
#### **4.2.6 Between Popular Participation and Capitalisation: Further Impulses for Socio-economic Change**

During the mid-1990s, as was mentioned in Section 2.3.2, neo-liberalism in Latin America passed from a phase of shock-therapy and stabilisation to a phase of institution-building,

marked by concerns about development later translated through the so-called *second generation reforms* (Naim, 1995). Decentralisation was one of the favourite policy recommendations provided by multilateral agencies such as the IDB and the WB, to implement second generation reforms.

In April of 1994, the Bolivian Congress passed the Popular Participation Law (PPL), one of the most radical decentralisation programmes in the region (Faguet, 2012a). The PPL redistributed the national income, assigning 20% of the national budget to the municipal governments, according to its demographic density. Moreover, taxes on urban and rural property, patents and special contributions originated within the municipal jurisdiction would be administered by its local government. In sum, a radical change in the budgetary structure of the state was accomplished through the PPL.

**Figure 14 Patterns of Public Investment Before and After the PPL**



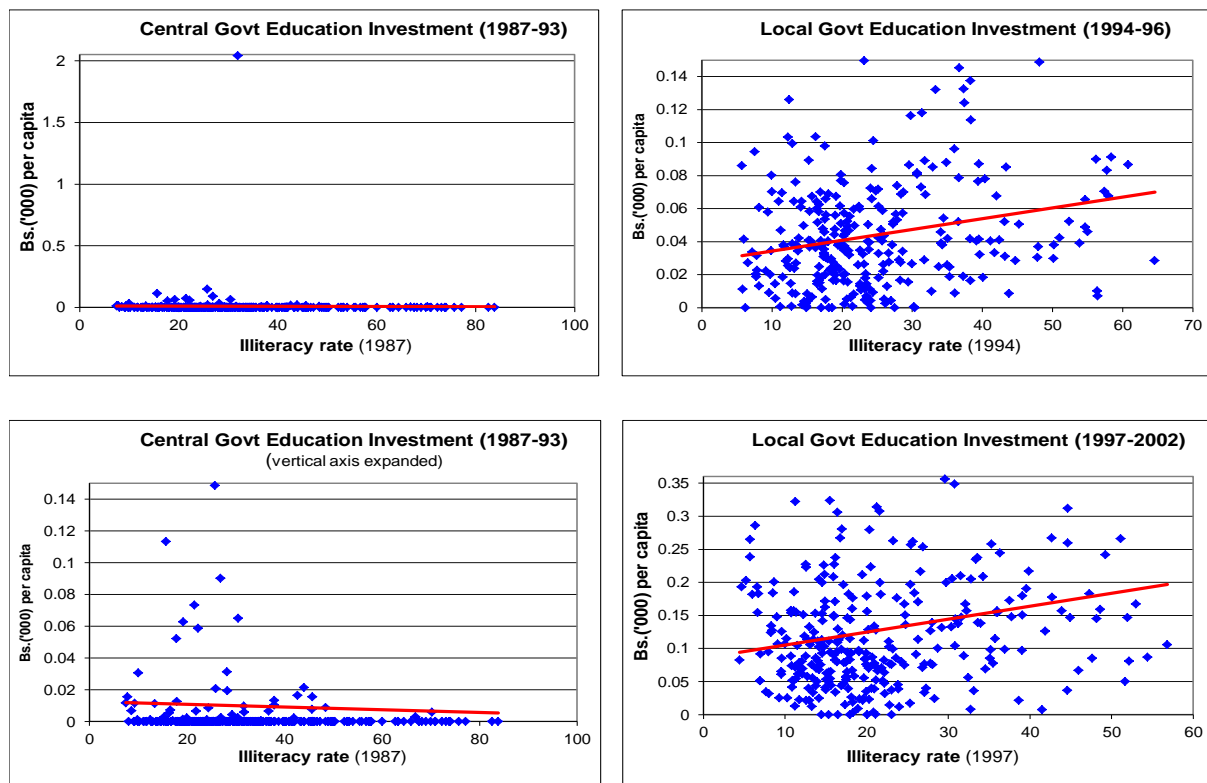
Source, Faguet, 2012a

According to Sánchez de Lozada, when he started his term in 1993, 93.7% of the resources for public investment were under control of the central government; whereas when he left office four years later, 75% of these resources were decentralised<sup>37</sup>. I will discuss later the political determinants of the reform. It is important for now to underline its socio-economic impacts of the reform, especially the expansion in the provision of public goods throughout

<sup>37</sup> Interview with Sánchez de Lozada.

the entire territory of the state, particularly in the rural areas. Elected municipal governments, created through the PPL, were assigned the responsibility for the delivery of public goods in the areas of education, health, infrastructure, irrigation, roads, sport and culture<sup>38</sup>. Consequently, as seen in Figures 14 and 16, after the PPL, the patterns of public investment in these areas experienced a positive shift, especially regarding education, health, water and sanitation and urban infrastructure.

**Figure 15 Patterns of Public Investment in Education: Municipal vs. Central**



Source: Faguet, 2012a

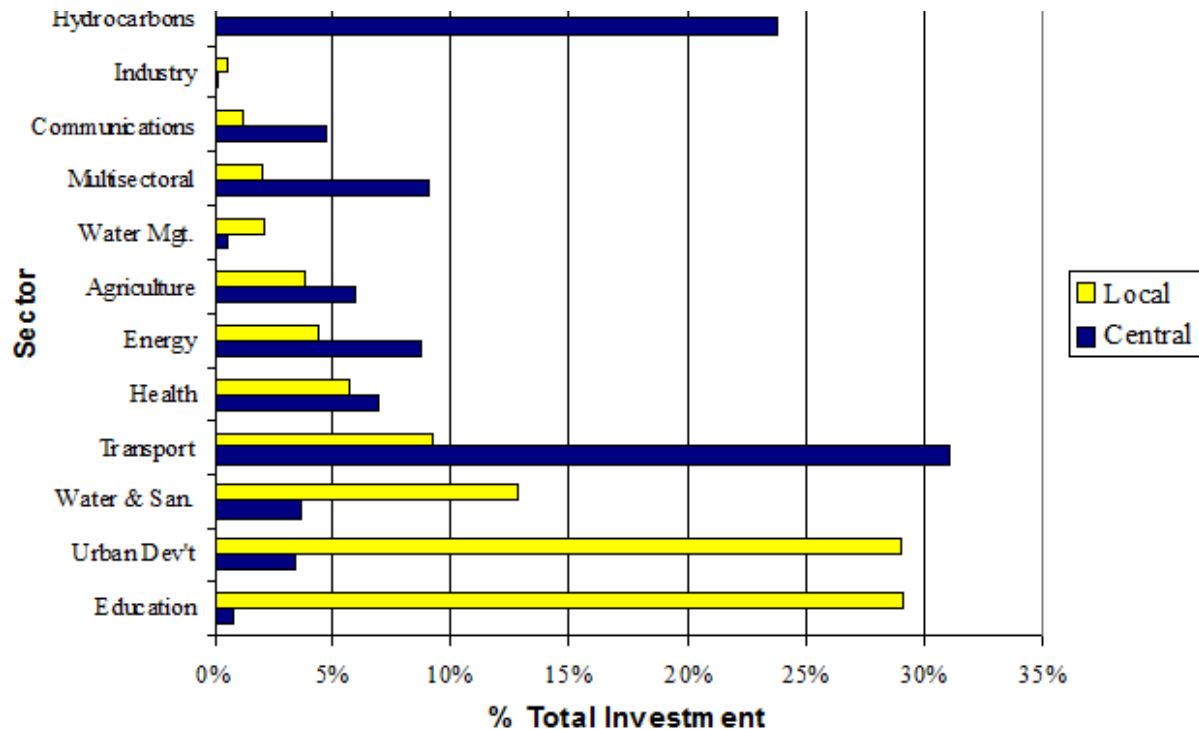
Education received an important boost in rural areas after the PPL, especially after the approval of an Educational Reform led by Vice-President Víctor Hugo Cárdenas<sup>39</sup>. In Figure 15 we can see that due to the increased investment in education by the newly created local governments, illiteracy rates were considerably reduced in the period of 1994-1996,

<sup>38</sup> See section 5.3 for a further elaboration.

<sup>39</sup> Indigenous leader of the Katarista party MRTKL, who was elected Vice President in the national elections of 1993, in which he participated in alliance with Sánchez de Lozada from the MNR. See Chapter 5 for more details regarding the political implications of the alliance.

and further reduced between 1997 and 2002. It is worth noting, moreover, that the PPL was oriented towards the establishment of bilingual education in many indigenous language speaking parts of the country.

**Figure 16 Local vs. Central Government Investment by Sector**



Source: Faguet, 2012a

While the PPL was the most important transformation in terms of social policy of the second cycle of neo-liberalism, the most important economic reform was that of privatisation, labelled as the *capitalisation* of the hitherto state-led strategic companies in areas such as telecommunications, hydrocarbons, the railway network, the national airline, and others. It is not the subject of this study to evaluate the success or failure of this policy; however, it is enough to mention that the privatisation of the hydrocarbons company, YPFB, had a major impact in explaining the transformation of the economic structure of the country in the 21<sup>st</sup> century.

In 1996, the Sánchez de Lozada administration approved a new hydrocarbons law. Soon after, foreign investment started to flow to the sector and the dormant project of building a pipeline to Brazil took real shape. The pipeline was inaugurated in 1999; from there on, Bolivia started a transition from a mining country to a gas producer country. Furthermore,

through the pipeline to Brazil and the re-inauguration of the pipeline to Argentina, in 2004, Bolivia became an important geo-strategic player in the Southern Cone.

By 2000, Bolivia obtained 500 million dollars for its gas exports, out of which the state captured 200 Million in taxes. By 2011, the country exported 3,900 million dollars, out of which the state captured 2,700 million (Medinaceli, 2013). Many factors explain this impressive shift. Firstly, the market-friendly laws created incentives for the investment in the exploration of new fields, which were of strategic importance for Brazil, in tandem with the completion of the pipeline. Secondly, since the beginning of the new millennium, the prices of natural gas rose in a sustained manner.

In 1999 Bolivia exported 1,405 million dollars, out of which 34% was constituted by the export of hydrocarbons and minerals. By 2010, Bolivia exported 7,038 million dollars, out of which 77% came from the mining and hydrocarbons sector. The so-called non-traditional exports, such as soy bean and its by-products, constituted 52% of the Bolivian exports in 1999. However, by 2010, *non traditionals* represented merely 19% of the country's exports, although their exports also increased in absolute terms (Gutierrez, 2012).

Hence, through the market-oriented policies of the 1990s, Bolivia experienced a new insertion in the global economy, firstly through the exports of soy beans and its by-products to the Andean countries, and secondly through the exports of gas to Brazil and Argentina via a pipeline. Furthermore, the so-called the rise of the international prices of commodities as around 2003, amplified the above-mentioned changes in the geography of development, especially because the agro-industrial complex of Santa Cruz was the centre of the production of soy beans, and because Tarija and Santa Cruz contain the main gas fields are located. The PPL managed to counterbalance, to some extent, the un-equalising effects of these changes, especially when the HIIPPIC<sup>40</sup> initiative redirected the debt relief resources towards many rural municipalities of the highlands after 2000. In sum, during the last decades of the 20<sup>th</sup> century Bolivia experienced *glocal* socioeconomic changes that shifted the relative positions of regions, ethnic groups, and classes within the internal balance of powers.

---

<sup>40</sup> Heavily Indebted Poor Countries Initiative.



## 4.3 The Renewed Salience of Ethnicity

### 4.3.1 The Limits of Revolutionary Nationalism as an Integrationist Cultural Project

In 1971, the indigenous intellectual Fausto Reynaga released his Indian Thesis or *Tesis India*. According to this account there are *two Bolivias*, the European Bolivia and the indigenous Bolivia (Reynaga, 1971). The political parties and leaders of the *European Bolivia*, be they from the left or from the right, had never acknowledged *Indian Bolivia*. Hence, neither capitalism nor Marxism would be the solution for the Bolivian society since the real Bolivia was Indian and, therefore, neither liberal nor socialist but based on the ancestral indigenous community. RN would have just been a paternalistic tutelage exercised by *Lawyers* and *Generals*; a tutelage that masked the reality of a continuous servitude, not merely economic but political (Ibid).

Hence, Reynaga put forward the need for *the indians* to exercise their collective political autonomy and agency. According to him, the peasant trade-union, at that moment the CNTB, had to decouple from the workers' trade-unionism and become a political party. This was the case because, as a class-oriented organisation, the COB could not participate in politics since it represented the workers as a class. However, the CNTB had a coherence of economic and political interests since indigenous peoples "were an oppressed people, a discriminated race, and a silenced culture" (Ibid: 91). This ideology, aimed at triggering a *cultural revolution*, was later known as *katarismo*, which decisively influenced the Tiwanaku Manifesto and the political thesis of the CSUTCB (1983), analysed in section II.1. *Katarismo* would become later an important driving force of change the intercultural balance of powers in the country.

### 4.3.2 The Convergence of Multiculturalism and Neo-liberalism in Bolivia

It was analysed in Section 2.3.2, how the *second-generation* reforms acquired an increasingly ethnic outlook in Latin America during the 1990s. In The same section I highlighted how transnational civil society networks and international organisations promoted a *glocal* wave of empowerment of indigenous peoples. This global agenda intersected with the endogenous developments in the Bolivian intercultural relations, which for example explains the alliance between the MNR and the MRTKL, behind the idea of

the *Plan de Todos* or Plan for Everyone<sup>41</sup>. The plan did not just promote decentralisation but also bilingual education, the creation of TCO's<sup>42</sup>, the creation of a Sustainable Development Ministry and a change in the constitution by which Bolivia was acknowledged as a multiethnic and pluricultural.

Regarding the multicultural component of the PPL, for example, Sánchez de Lozada told me in an interview, that when studying the policy reform, they discovered that many provincial sections, which later became the territorial base of rural municipalities, followed the limits of the Andean *ayllus* or indigenous kin-based communities. He also told me how he had to change the historical postulate of the MNR of the *class alliance*, to the idea of *unity within diversity*<sup>43</sup> to advance the *Plan*. When I interviewed Víctor Hugo Cárdenas, on the other hand, about the roots of the PPL, he mentioned to me that

“...the idea was already inserted in the proposals and official documents of the CSUTCB since the early 1980s, although not with the name of *popular participation*. The idea of the PPL was inserted into the *Plan for Everyone*, after debates at the highest level before making the alliance between the MRTKL and the MNR. I would dare to say that the idea was extracted from the agenda of the indigenous struggle, in our documents we already proposed the transfer of at least 30% of the taxed to the rural areas. These ideas, however, converged with the *audacious* leadership of Sánchez de Lozada and his circle, since the old leadership of the MNR did not understand these agendas” (Interview with Víctor Hugo Cárdenas, October 2011).

In a parallel way, since 1982, the hitherto unorganised and isolated indigenous groups of the Bolivian lowlands began to create their own organisations. With the support of national and international NGOs, the Guarani and Ayoreo indigenous groups gathered around the Indigenous Centre of the Bolivian Lowlands – CIDOB. After the International Labour Organisation (ILO) approved the 169 Convention on Indigenous and Tribal groups, CIDOB received even further impulse from abroad to advance their claims over territory. In 1990, sub-sections of CIDOB organised a march from the Department of Beni to La Paz. They were received and cheered by the highland indigenous organisations and even by President

---

<sup>41</sup> See Chapter Five for further details about the alliance.

<sup>42</sup> Tierras Comunitarias de Origen. Collective titles that have land property to indigenous groups, and within which the customary rules of the group would be recognised.

<sup>43</sup> Interview with Gonzalo Sánchez de Lozada.

Paz Zamora, who passed a decree recognising the collective title over their lands. Furthermore, under his tenure Bolivia ratified the 169 ILO Convention, in 1991.

Sánchez de Lozada told me that one of his reasons for launching the PPL was a conviction on the idea that “those who have the problems are those who have the solutions” (Interview with Sánchez de Lozada, 2013), and that this solution was to bring health and education closer to the people.

Hence, state-society relations shifted during the 1990s, following i) considerations regarding the perceived inefficiency the centralist development-oriented state of 1952, under the intellectual influence of neo-liberal ideas about administrative efficiency and local democracy worldwide, ii) on top of indigenous demands for autonomy, agency and self-rule that emerged through *katarismo*; iii) supported in turn by transnational and international agendas promoting identity politics and cultural rights. iv) All of the above converged in the PPL in a clear-cut case of a transition from modernisation, namely the creation of a *mestizo* and Spanish-speaking nation within a centralised state, to *glocalisation*, involving the re-creation of a multi-ethnic and pluri-cultural society within a decentralised state.

The PPL integrated many indigenous communities in the governance structure of the local level by creating the Grassroots Territorial Organisations or *Organizaciones Territoriales de Base* – OTB’S, which were made from the Neighbourhood Associations or *Juntas Vecinales*, in the urban areas, and of Indigenous Communities and Peasant Communities in the rural areas of Bolivia. OTBs, in turn, were constitutive of the Oversight Committees or *Comites de Vigilancia*, which were deliberative bodies in charge of the participatory budgeting and of holding municipal governments accountable. Indigenous OTB’s, finally, “were officially allowed to retain and draw on their own structures and practices as one way to operationalise indigenous rights and cultural diversity (Andolina et al. 1999:35). Even though indigenous organisations were initially reluctant to engage in the structures designed by the PPL, by 1999 “over sixteen thousand OTB petitions had been submitted to the offices of the Popular Participation and Indigenous ministries” (Ibid: 92). Hence, it is fair to say that whereas the Revolution of 1952 changed the relationship between rural Bolivia and the state through a corporatist device, the peasant trade-union; the PPL re-structured this

relationship, redirecting it towards the territorialisation of indigenous representation within the municipal governments and the TCOs.

The demand for the re-creation of the indigenous pre-colonial space followed a similar path. By the late 1980s, many *ayllus* in the highlands and indigenous communities in the lowlands started a process of organisation behind the flag of the re-constitution of their territories. In 1997 they created an umbrella organisation called CONAMAQ – *Consejo Nacional de Marqas y Ayllus del Qollasuyo*. Between 1987 and 1994 transnational NGOs and the EU engaged in active support the re-constitution movement. After the 169 ILO Covenant was ratified in 1991, the constitutional reform of 1994 and the enactment of the INRA law of 1996, the legal window of opportunity was opened for institutions such as DANIDA and the WB, to channel

“moneys to *ayllu* organisations through the Bolivian Ministries of Popular Participation and Indigenous Affairs... [For example], DANIDA sponsored eighty-nine TCO highland claims in the Departments of Potosi and Oruro, while the World Bank supported nearly Twenty-five highland TCO claims in the Departments of La Paz and Cochabamba” (Ibid:107).

In sum, the limitations of RN in integrating rural Bolivia to the project of a *mestizo* nation, gave way to the (re)emergence, since the 1970s, of different indigenous demands for autonomy, identity and the reconstruction of territoriality. These movements were strengthened when they intersected with the rise of transnational networks of support for social and cultural rights, namely identity politics. After 1989, furthermore, a global shift in politics from a class-oriented towards an identity-oriented divide influenced multilateral and bi-lateral cooperation towards Bolivia, giving a further impulse to the empowerment of the mobilised indigenous groups.

The global convergence between decentralisation and multiculturalism; and its intersection with the rise of the endogenous agenda for the construction of a plurinational state was addressed in first government of Gonzalo Sánchez de Lozada through the constitutional reform of 1994, by which Bolivia was officially declared multiethnic and pluricultural. On the basis of this new constitutional principle, the country was decentralised towards the municipal level recognising the political institutions of indigenous communities and the creation of TCOs. The convergence of the aforementioned dynamics finally reshaped the

relationship between the state and society in rural Bolivia; from a centralised, corporatist and culturally homogenising relationship towards a territorially decentralised relationship, filtered behind a liberal-multicultural outlook.

#### **4.3.3 Intercultural Relations and the Demographic Shift**

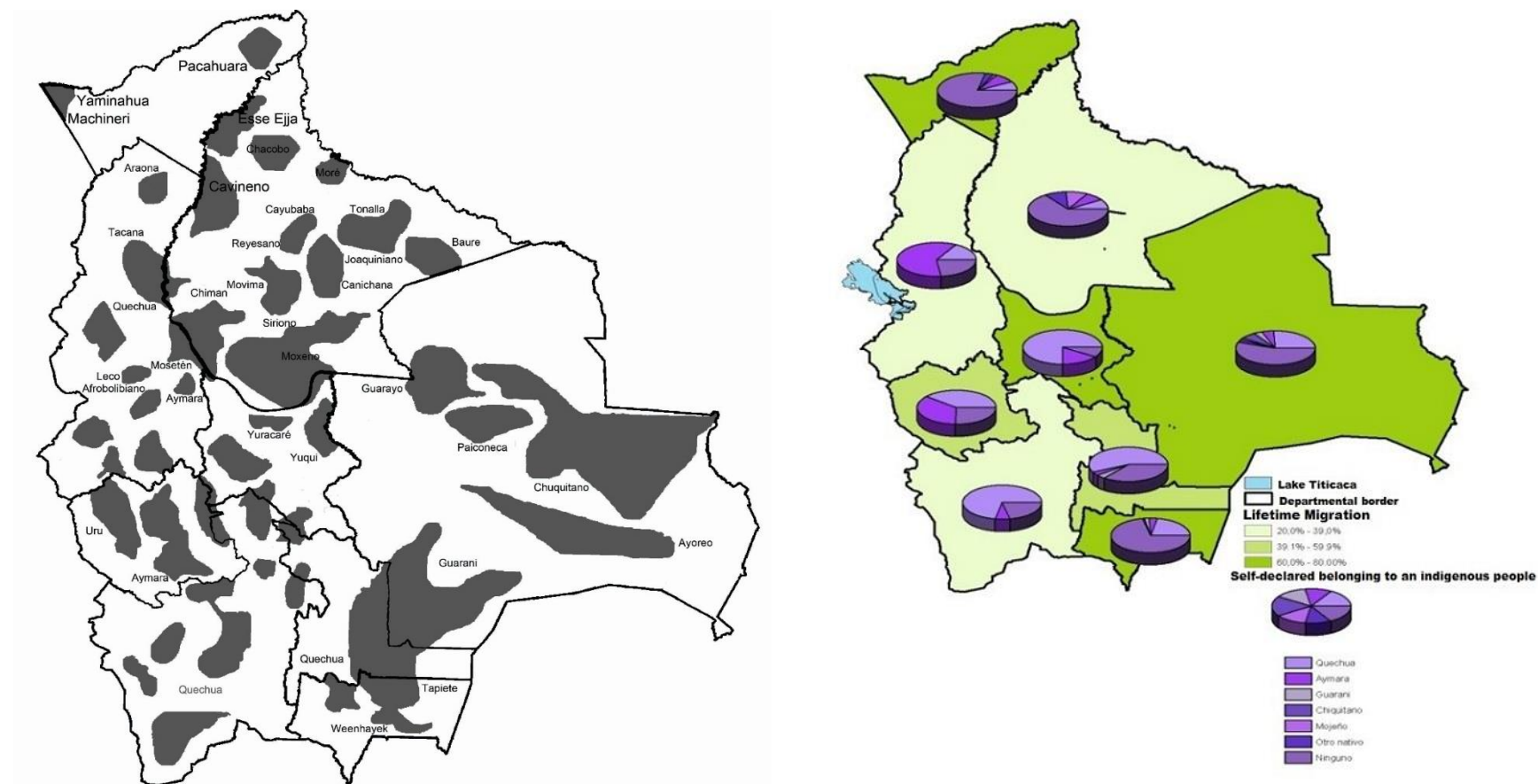
While the re-emergence of ethnicity was taking place at the rural level, Bolivia also witnessed a reconfiguration of identities at the urban level with the process of migration analysed before. I mentioned how isolated the city of Santa Cruz de la Sierra was before 1952. This isolation fed sub-cultural differentiations between the inhabitants of the east, popularly known as *cambas* and the inhabitants of the western highlands, usually called *collas* by their fellow Bolivians.

Migration created a more fluid exchange between these identities; however, it also made dormant tensions come to the fore. On top of this, the relationship between indigenous and non-indigenous Bolivians also experienced a reconfiguration. In 2001, 63% of the two million life-time migrants self-identified as indigenous. Three departments hosted 71% of the indigenous migrants; these departments were La Paz – 34%, Cochabamba – 15%, and Potosí – 21%. As a result, La Paz experienced intradepartmental and intraethnic migration by which 62% of the indigenous migrants identified themselves as Aymara; whereas 14% identified themselves as Quechuas<sup>44</sup>. On the other hand, we have the department of Santa Cruz, which as a receptor of a much more varied pool of migrants, hosted by 2001 “migrants [which] identified themselves with different peoples: 26% Quechua, 7% Aymara, 6% Chiquitano, 4% % Guaraní, and 2% Mojeño” (HDRB, 2010:11).

---

<sup>44</sup> Three out of Four inhabitants of El Alto, self-identified as Aymaras in the 2001 Census.

**Figure 17 Historical Location of Indigenous Peoples vs. Patterns of Interethnic Migration**



Source: Own elaboration based on HDRB, 2010

As a consequence of the above, people carrying Andean, more specifically Quechua and Aymara (Ibid) identities, migrated to spaces where, historically, these groups did not coexist with the local population, as shown in Figure 17. Throughout the 1980s and 1990s, the hitherto isolated small towns of El Beni, Santa Cruz and Pando, witnessed the influx and establishment of Aymara and Quechua migrants, mainly dedicated to commercial activities. They were not fully integrated in the community and experienced subtle and sometimes open discriminatory experiences, despite the fact that some of them became economically successful.

This reconfiguration of ethnic and territorial identities, as we will see later, disrupted the cleavage structure of the country and, therefore, the structure of legitimacy. It is important, furthermore, to clarify that by 2001 the measurement of ethnicity became a matter of political contention. An important debate developed surrounding the 2001 census. The question through which ethnicity was supposed to be measured, namely who counted and who did not count as indigenous in Bolivia became politicised. While mono-lingual speakers of an indigenous language, and bilingual speakers of Spanish and indigenous languages decreased in relation to the population that were monolingual in Spanish between 1976 and 2001; the 2001 census inserted a more complex system of markers for the measurement of ethnicity. The self-identification of the person would count as the key marker of the ethnic identity of the respondents.

**Table 6 The Evolution of the Use of Languages in Bolivia (1976-2001)**

<b>Census</b>	<b>Mono-lingual (Spanish)</b>	<b>Mono-lingual (Indigenous)</b>	<b>Bilingual (Indigenous/Spanish)</b>
<b>1976</b>	34.06	19.7	44.47
<b>1992</b>	41.9	11.6	42.74
<b>2001</b>	46.9	11.1	37.76

Source: Own elaboration based in the Bolivian censuses (1976, 1992 and 2001)

The censuses carried out in Bolivia in 1900 and 1950 had different criteria for the measurement of ethnicity. Initially, they were aimed at measuring the race or *cast* of the population and this was carried out by looking at the language of the respondent, his or her area of residence – the rural area being a clear marker of her *indigeneity*, and the way in which the person dressed. Under these criteria, the census of 1900 established that out of a

total population of 1,633.610 people, 46% were indigenous (792,850). By 1950, out of 2,704,165 inhabitants, 1,703,317 – constituting 62.9% of the population – were considered indigenous. According to Molina (2005), developments in Bolivian politics after the rise of the leftist and nationalist political parties influenced in the increase in the number of people self-identified as indigenous.

Since 1976, the language of the respondent determined his or her ethnicity. Using this criterion, indigenous population accounted for 64% of the overall population in 1976, and for 61% in 1992. The self-identification criterion used in 2001 created a big controversy because it was argued that it erased the possibility for the respondents to identify themselves as *mestizos*, a category that according to some authors (Toranzo, 2009, Zuazo 2012), constitutes the main identity of many Bolivians since 1952. The 2001 census, however, asked the respondents if they identified with an indigenous group – namely Quechua, Aymara, Guarani, Chiquitano, Mojeno or other native group – or not – namely white or other/none.

As a result of the above, 62.37% of the Bolivian population self-identified as part of an indigenous group. Quoting different representative polls carried out between 1996 and 2006, Toranzo takes issue with these results by stating that when given the possibility of identifying themselves as *mestizos*, the majority of Bolivians consistently self-identify as such, as shown in Table 6, even after Evo Morales was elected as the first indigenous president.

**Table 7 Self-identification (Including the *Mestizo* Option)**

Source (Poll)	UNDP 1996	LAPOP 1998	LAPOP 2006
<b>Indigenous (%)</b>	16	9.8	19.3
<b><i>Mestizos</i> (%)</b>	67	62.8	64.8
<b>White (%)</b>	17	23,3	11

Source: Carlos Toranzo, 2009, based on the UNDP Human Security poll of 1996, and the Latin America Public Opinion Polls (Seligson et al.) of 1998 and 2006.

I will not discuss the validity of one point or the other; my intention here is to show that a politically charged debate surrounding identity and ethnicity emerged by 2001. The majoritarian or minoritarian character of indigenous peoples acquired importance because Bolivia established an electoral democracy in 1982. Furthermore, through their agency



questioning the limits of RN as a nation-building project and through their seizure of political arenas opened by the PPL, indigenous groups gained political power in the last decades of the 20<sup>th</sup> century. Certainly, indigenous groups have been historically marginalised from the Bolivian *mainstream* politics and society, but in the period analysed in this Chapter, socioeconomic and political changes empowered indigenous segments creating a relative change in the balance of powers between indigenous and non-indigenous groups, between the eastern and the western regions, and between the lower and the upper strata of the Bolivian society.

As shown in Table 9, between 1976 and 2001 Bolivia experienced a reconfiguration of the interaction between and within its socioeconomic and ethnic cleavages. In 1976, the most salient inequalities were those between the urban and the rural areas of the country, firstly, and secondly between the indigenous and non-indigenous sectors of society. Considering the fact that in 1976 Bolivia was a predominantly rural country, it is worth noting that the lower and medium socioeconomic sectors were overwhelmingly indigenous and rural. On the opposite side of the pyramid we find overwhelmingly urban medium-high and upper classes. Nevertheless, it is important to notice that within the urban higher strata, non-indigenous sectors accounted for 55.2%, compared to 35.2% that were indigenous. Furthermore, in the medium-high strata of the pyramid we find that within the almost 60% urban component of the sector, the majority were indigenous.

By 2001, we detect a sharp reduction of the rural-indigenous sectors in every stratum of the socio-economic pyramid, explained by the process of urbanisation. It is important to point at the fact that the rural-indigenous component of the lower sectors decreased from 72.9% to 45.9%; whereas the rural and indigenous medium-low sector decreased from 68.65% to 37.3% of the population. The indigenous and rural middle classes, on the other hand, decreased from being 50% to becoming just more than 20% of the overall middle class. Where did they go? They became part of a progressively growing middle urban sector of society. Low-medium indigenous sectors in the cities increased from 7.95 to 18.1% of the population, whereas the indigenous urban middle-class increased from 16.4% to almost one third of the total between 1976 and 2001.

The non-indigenous middle strata of the social pyramid experienced a considerable growth between 1976 and 2001, by when they constituted more than one third of the lower-middle class and almost half of the middle class in Bolivia. Finally, this process of reconfiguration of the relationship between ethnicity and class was accompanied by a sustained trend of expansion of education to all sectors of society.

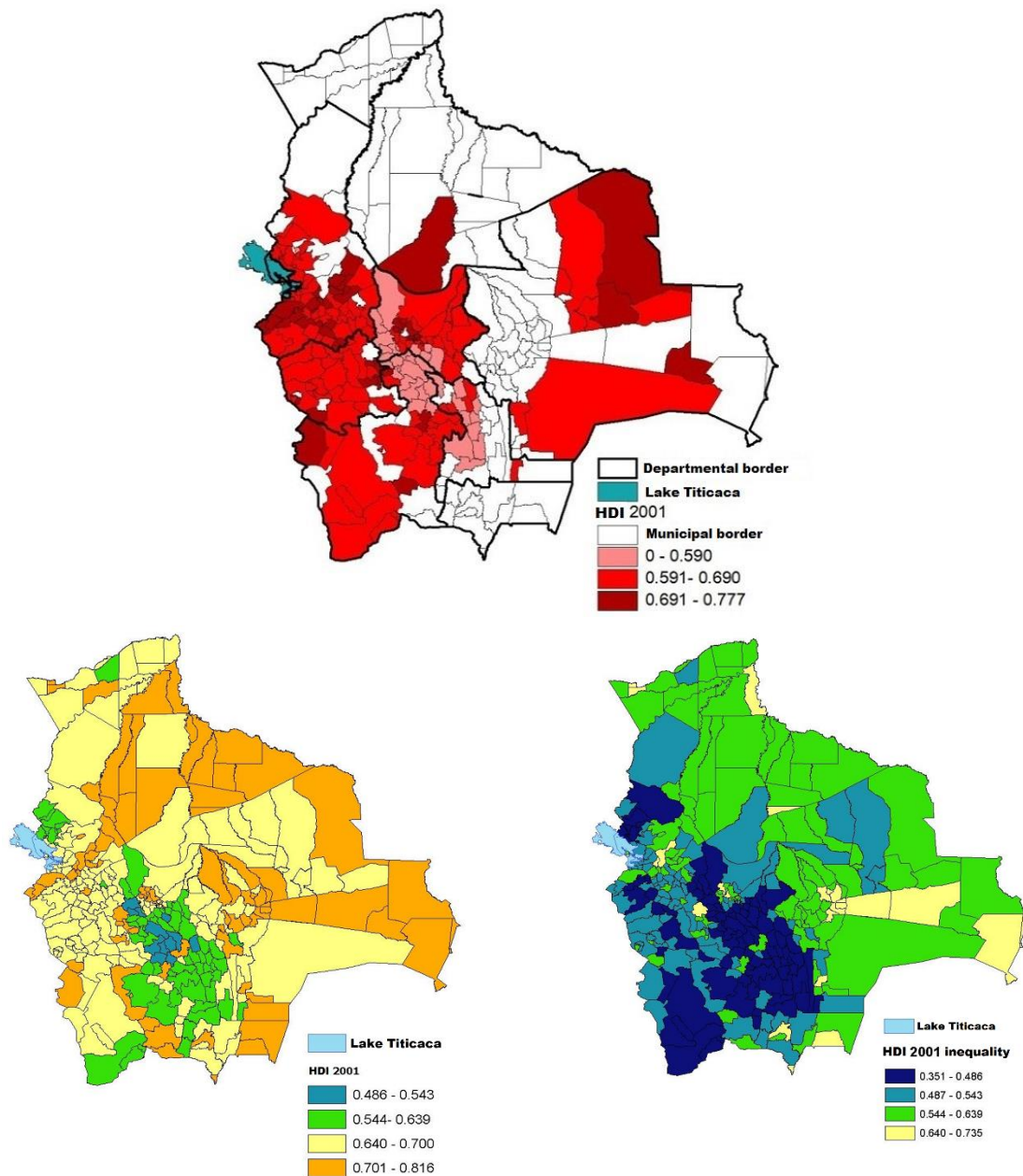
**Table 8 Socioeconomic Change and Ethnicity in Bolivia (1976-2001)**

<b>1976</b>								
<b>Level of Socio-economic well being</b>	<b>URBAN</b>				<b>RURAL</b>			
	Indigenous (%)	Average years of Study	Non-Indigenous (%)	Average years of Study	Indigenous (%)	Average years of Study	Non-Indigenous (%)	Average years of Study
High	35.2	7.7	55.2	9.4	4.6	8.3	5.0	8.4
Medium-high	32.4	4.3	28.4	5.6	25.2	4.0	14.0	4.5
Medium	16.4	2.7	12.4	3.7	51.7	2.1	19.5	2.7
Medium Low	7.9	1.4	5.5	2.2	68.6	0.9	18.1	1.2
Low	7.8	1.2	5.3	2.3	72.9	0.4	14.0	1.3
<b>2001</b>								
<b>Level of Socio-economic well being</b>	<b>URBAN</b>				<b>RURAL</b>			
	Indigenous (%)	Average years of Study	Non-Indigenous (%)	Average years of Study	Indigenous (%)	Average years of Study	Non-Indigenous (%)	Average years of Study
High	40.1	12.3	56.8	12.5	1.5	12.0	1.6	12.1
Medium-high	38.4	8.9	48.0	9.1	7.3	8.2	6.3	8.2
Medium	29.8	7.1	35.4	7.4	20.5	5.8	14.3	5.9
Medium Low	18.1	5.5	21.2	5.8	37.3	4.1	23.4	4.1
Low	11.3	3.3	12.8	3.7	45.9	2.0	30.1	2.0

Source: HDRB, 2010; based on the Bolivian Censuses of 1976 and 2001

In sum, acknowledging the legacy of poverty and vulnerability of the indigenous sectors of Bolivia, especially in the rural areas, it is fair to say that this situation has been changing throughout the last decades of the 20<sup>th</sup> century, shifting the relative socio-economic weight of indigenous and non-indigenous segments. The process of urbanisation and the social policies launched by the revolution of 1952, amplified by the impacts of neo-liberalism, especially in its multicultural version, explain these changes.

**Figure 18 Mainly Indigenous Municipalities within the Geography of Human Development by 2001**



Source: Own elaboration based on HDR, 2010

Finally, this reconfiguration of class and ethnicity has a territorial manifestation, as we can see in Figure 18, where we can identify the municipalities containing 60% of indigenous population or more, according to their HDI score in 2001. The map shows that the most vulnerable indigenous municipalities coincide, generally speaking, with the overall human

development map of Bolivia, regarding pockets of Quechua population in Cochabamba, Chuquisaca and Potosi. However, many of these mostly indigenous municipalities, either in the eastern lowlands or in the western highlands, are municipalities whose score was close to or even higher than the national human development average, by 2001.

#### **4.4 Conclusions**

I began the present thesis by stating that most of the analyses of the 2000-2008 Bolivian state crisis, focus their explanatory variables on historical continuities in the structure of cleavages within the Bolivian society; be they interethnic, territorial, related to class relations or a combination of these. I sustain, on the other hand, that the Bolivian state crisis is better explained by the impact of social changes on these cleavages. I further argued that the disruption and politicisation of these cleavages unsettled the relation between legitimacy and legality, triggering the Bolivian state crisis.

In the present chapter I have demonstrated that Bolivia has experienced important processes of socioeconomic and cultural change in the last decades. The progressive influence of *glocal* forces and their interaction with endogenous developments in the Bolivian state-society relations have resulted in important transitions. From being a predominantly rural society Bolivia passed, in a relatively short period of time, to becoming a predominantly urban society. Today's two most populated cities, Santa Cruz de la Sierra and El Alto, were small towns in 1950. The story of these cities captures the overall dynamic of demographic change, namely a two-fold trend by which Bolivians migrated from the country side to the cities, while, simultaneously, important segments of this population migrated from the western highlands to the eastern lowlands.

The aforementioned demographic shift, furthermore, followed a second important change, namely the transition from an economy dominated by the mining sector located in the highlands, towards a more diversified economy in which the eastern lowlands became the leader in terms of human development. This was the case since the country started its exports of gas to Brazil. This happened, however, within an overall background in which both the highlands and the lowlands contain important pockets of poverty, especially in rural

areas, where the economic situation of the indigenous peasantry deteriorated from the 1970s onwards.

These two trends, in turn, are also related to the emergence of a much more complex socio-economic structure in which, even though inequality is still very much present between the extremes of the social pyramid and rose during neo-liberalism, we witnessed a sustained growth of urban middle classes. These processes, finally, took place within a permanent disjunction between sustained social development and a modest economic growth of an ever more informal economy.

Changes in global politics by which the class divide gave way to the politics of identity, influenced the process of empowerment of indigenous groups, particularly in rural areas. This global shift converged with the internally envisaged decentralisation and its advances in social policy. The PPL, in turn, was adopted partly as a response to the endogenous driven rise of *katarismo* and its claim for the (re)foundation of a plurinational state. To absorb this demand in the framework of a multicultural version of liberalism, the constitutional reform of 1994 acknowledged the multi-ethnic and pluricultural character of Bolivia.

Many of these changes were unleashed by the policies of RN, especially the *march to the east*. Neo-liberalism amplified the demographic shift by boosting the growth of the eastern lowlands after the *capitalisation* of YPFB and the renewed development of the agro-industrial complex of Santa Cruz. Neo-liberalism also amplified the informality of the economy through *relocation*. Since many former miners migrated to the Chapare region to plant coca leaf increasingly utilised to produce cocaine, it is fair to say that neo-liberalism also influenced the emergence of the coca growers' movement which later became, paradoxically, its fiercest enemy.

All of the abovementioned changes had altered the balance of powers within the Bolivian society in terms of class, ethnicity and geography. Being highly disempowered after the Federal War, the indigenous communities re-gained power by the combination of their own agency and organisation, and the support of transnational and international networks of economic and political support. After decades of having an economic and political

supremacy as the geographic centre of power, the city of La Paz and the highlands in general lost hegemony *vis-à-vis* the rise of Santa Cruz. Finally, the collapse of the prices of tin and the growing informality of the Bolivian economy weakened the position of organised labour, particularly the miners. All the above shifted the relative salience of each cleavage. Later, these cleavages were politicised by the effects of further political changes, which I turn to analyse in the next chapter.

## Chapter Five

### **The Shifting Salience of Cleavages and Politico-institutional Change under Neo-Liberalism (1985-1999)**

*“Con la alianza [MNR-MRTKL] y nuestro acceso a la Vicepresidencia de alguna manera se abre un boquete. Lo que se busca ahora es que ese boquete vaya ampliándose para que la democracia boliviana sea auténticamente democrática; y en Bolivia eso quiere decir una democracia no solo política sino económica, cultural, étnica, lingüística, de género y generación.”*

Víctor Hugo Cárdenas in his address to Congress as the first indigenous Vicepresident of Bolivia, quoted by Albo, 1993:73

*“Yo me di cuenta que los gobiernos, cuando más cerca están de la gente, mas legitimidad tienen.”*

Gonzalo Sánchez de Lozada, interview, May 2013

The 6th of August 1985, Víctor Paz Estenssoro, the historical leader who led the 1952 Revolution was sworn in as President of Bolivia for the fourth time in his life. Hernan Siles Zuazo, a prominent 1952 leader himself, handed power to Paz Estenssoro in a formal parliamentary session. It was not the first time that Bolivians witnessed this image; it seemed like history would be repeating itself after thirty-three years. However, the evident impact of age on these men's bodies was not the only difference between the two episodes. In 1952, Paz Estenssoro returned from exile in Argentina to command the government that unleashed RN and the profound changes that it triggered in the Bolivian society. Thirty-three years later, these two leaders stood in front of congress, paradoxically, to close RN.

Against the background of the social changes analysed in Chapter IV, and their impacts in the country's structure of cleavages, the present chapter will trace the Bolivian process of politico-institutional change experienced between its transition to democracy and the state crisis of 2000-2008. The first part of the present chapter will address the outcome of the critical juncture of 1982-1985, namely the collapse of RN and the rise of (re)newed discourses for the re-legitimation of the state and political institutions framed under ethnic

and regionalist agendas. The second part will address the development of the political party system after the installation of the so-called *pacted democracy*, and the ways in which it responded to the emergence of new actors and demands resulting from the changes and politicisation of the ethnic, regional and class cleavages. Thirdly, the chapter will analyse the impact of decentralisation on the political party system, a reform adopted by the latter in order to adapt to the changes described in parts one and two of this chapter. I will carry out the analysis through the lenses of the changing dynamics between legitimacy and legality.

### **5.1 From the Fall of Revolutionary Nationalism to the (Re)emergence of Regionalism and Ethnicity**

In December 1984, in the context of the acute economic crisis described in Section II.1, congress approved a law calling for early presidential and parliamentary elections (Laserna, 1992), following the hitherto ineffective constitutional provisions of 1967. By adhering to the electoral rules contained in the 1967 constitution, the parties accepted that, from then onwards, the process of legitimation would take place through elections and alliances of political parties in parliament, rather than through the combination of corporatism, clientelism and social mobilisation. The latter informal institutions would be side-lined in favour of the former formal ones, to bridge the gap between legality and legitimacy.

The leftist coalition that ruled since 1982 (UDP) collapsed. The only party still standing was the MIR, which secured a third place in the election with 10.2% of the national vote. The winner of the election, with 32.8% of the popular vote was *Acción Democrática Nacionalista* (ADN), the centre-right party founded by Banzer before the transition to democracy. The MNR was second, accounting for 30.2% of the electoral preference (TSE-PNUD, 2013).

Fragmentation and parliamentary gridlock had contributed to the crisis of hyperinflation since the opposition in parliament – MNR and ADN – had a majority which vetoed every proposal presented by the government led by the UDP. To avoid this problem in the new context, it was fundamental to create a solid parliamentary majority. The 1967 constitution established that if no candidate obtained 50% of the votes, the president would be elected by an absolute majority in congress. The MNR and the ADN then agreed to form a



government coalition; this agreement was called *Pacto por la Democracia* (The Pact for Democracy). The Pact for Democracy was not merely a response to the crisis, but installed itself as a path dependent trend that would be replicated in the next four national elections. This institutional device was labelled *democracia pactada* or *pacted democracy* (R.A. Mayorga, 1999).

*Pacted democracy* constituted the legitimacy base from where the NEP was launched. According to Sánchez de Lozada the NEP was a “political plan aiming at the re-establishment of the fundamental principles of the Republic, [without] which there [was] a risk of plunging towards the disintegration of the National State” (FES-ILDIS, 2010).

According to the government, its authority was eroding because the state was being *feudalised*. Even though the MNR historically postulated the state’s command of the economy, it was no longer possible to carry on these policies in a democratic regime immersed in a crisis; therefore, the state-led development pattern set up by the 1952 had to change. The rural sector, especially the small-scale peasantry that represented the backbone of the MNR, should benefit from this model (Ibid).

The aim was not to replace the constitutional order but rather to enforce the 1967 constitution. While not being effective in previous years, previous years, it contained a model of legitimation that rested on free and fair elections, and on a monopoly of representation exercised by congress and political parties. Regarding the legitimacy of the state, the 1967 constitution contained the idea of building a *mestizo* nation and a centralised bureaucratic structure. These principles were to be preserved; whereas the only serious change that government would make to the principles of RN would be related to the role of the state in the economy. The state would give way to the adoption of free market reforms, which would have important consequences for the composition of the class cleavage. Furthermore, the collapse of RN gave way to the emergence of serious challenges to the ideas of a *mestizo nation* and a *centralised state*, which, in turn, would be important for the re-emergence of the regional and ethnic cleavages.

### 5.1.1 Ethnicity: From the Collapse of the COB to the *Return of the Indio*

As mentioned in Part II.1, one of the most important political actors during RN was the COB, with its basis of mining workers which represented, *de facto*, the popular face of the Bolivian society. However, between 1982 and 1985, the COB progressively lost representativeness. Large sections of the population considered that the radical position of the COB worsened the hyperinflation spiral. This crisis of representation made it easier for the government to implement the structural adjustment.

Just when the country was suffering from hyperinflation, the prices of tin collapsed in the international markets, in October 1985<sup>45</sup>. Consequently, 70% of the mining workers lost their jobs under relocation, as mentioned in Section 4.1.1. As a response to relocation the COB organised the *Marcha por la vida* (march in defence of life), in August 1986. The mining workers wanted to reach La Paz to demand the reversion of the *relocation* policy. The government, in response, called for a state of emergency, arrested the main leaders of the COB and sent army units to stop the march. This marked the fall of the COB, which had constituted an important pillar of the political system installed in 1952, as an informal channel for the legitimization of the demands of important parts of the Bolivian society. The fall of the COB marked the diminishing importance of the class cleavage in the last decades of the 20<sup>th</sup> century.

The fall of the COB also illustrates that politics in the streets, an informal political institution lost momentum *vis-à-vis* elections. Electoral legitimization was more consistent with the 1967 constitution, which was re-activated in 1985. As acknowledged by Laserna (1991), the COB proved incapable to adapt to social changes such as the decreasing importance of the mining sector and the emergence of new actors. These changes gave way to the rise of powerful regionalist movements outside the COB, and an ethnically oriented peasantry within its own flanks.

The growth of the informal and illegal sectors of the economy also had important implications for the class cleavage. The classic vertical divide between capital and labour, between rich and poor, was intersected by a growing horizontal gulf between the formal

---

<sup>45</sup> According to Jordan Pozo (1999), the tin lost more than 50% of its international price.

and informal sectors of the economy. These changes would disrupt the internal structure and dynamics of the class cleavage in urban and rural Bolivia. For example, migration to the Chapare region started in the wake of the semi-directed *colonisation* promoted by RN. “By 1977 approximately 10,000 families...from the Cochabamba Valley, had moved to the [Chapare] region” (Henkel, 1982:280). In Chapare, thousands of kilos of coca leaves were harvested per year, mostly used in the production of cocaine (Henkel, 1982). The number of coca growers increased dramatically when they absorbed many of the miners that were *relocated* in 1985.

From then onwards, every Bolivian government was dragged into a *glocal* tension between two contradictory forces<sup>46</sup>. In the global realm, the United States waged its *war on drugs*; at the local level, the coca growers resisted through mobilisation – road blocks, hunger strikes, confrontations with the police, etc. (Lerner, 1999). The coca growers, organised in federations since 1984 (Van Cott, 2007), legitimised their demand before the Bolivian and a global audience behind different banners. Building upon the trade-union organisational structures inherited from the COB, the coca growers’ movement adopted the ethno-symbolic force that the consumption of the *sacred coca leaf* (Albo, 1993) represents for the Andean peoples (Laserna, 1992). Furthermore, the repressive form adopted by the *eradication policy* created a justificatory base for the coca growers to adopt the universalising discourse of human rights. The coca growers also claimed to be carrying out an anti-imperialist nationalist struggle, denouncing that through *the war on drugs*, the U.S. interfered in Bolivia’s internal affairs.

In September 1994, 10,000 coca growers marched to raise awareness for their demands (Van Cott, quoting Patzi Paco, 2007). “The 1994 march made Evo Morales, [the leader of the coca growers’ movement], a national political figure. A 1994 media poll named Morales, who had been imprisoned at the beginning of the 1994 march, *Man of the Year*” (Ibid:59).

---

<sup>46</sup> Goni himself told me, when I interviewed him that he thought that the U. S. Government had embarked on a lost cause in advancing the so-called *war on drugs*. He expressed “... maybe it is something related to the protestant ethics of the Americans but they didn't learn from what happened to them during the alcohol prohibition policy and its failure during the 1920s and 1930s”.

Throughout the 1980s and 1990s, an ethnically conscious peasantry at the centre of the CSUTCB-TK and the CIDOB claimed to represent rural Bolivia. Later on, the creation of CONAMAQ consolidated this trend that had been nurtured by trans-national, multilateral and bilateral networks and donors<sup>47</sup>.

Hence, the peasantry and its organisations, proved to be more adaptable to the social changes brought about by *glocalisation* than the COB. Firstly, as pointed out by Calderon (2000), Rivera Cusicanqui (1983, 1987) and Albó (1999), from the rise of *katarismo* onwards, the CSUTCB-TK juxtaposed a class oriented and an ethnic-orientated discourse. As pointed out by Albó (quoting the *katarista* leader Víctor Hugo Cárdenas, 1993), since 1983<sup>48</sup>, this organisation sees the Bolivian reality through *two different eyes*: the class-oriented one as exploited peasants; and the ethnically-oriented one, as oppressed nations.

*Katarismo* is key to understand the above because it built “a genuine bridge between the city and the communities of the *altiplano*... [The links that the movement forged] with Aymara teachers, [University and high school] students connected it with the rural grassroots unions” (Rivera Cusicanqui, 1983:141). This juxtaposition has been strategically displayed through legitimisation discourses adapted to the changing political conditions inside and outside Bolivia. The class-oriented discourse was more salient after the 1952 Revolution, in the context of a world dominated by class politics. However, with the advent of *glocalisation*, Bolivia witnessed what has been called the *return of the indio* (Albo, 1999), as ethnicity and identity were re-politicised within the Bolivian peasantry.

The leadership of the CSUTCB was overtaken by the *katarista* movement in the early 1980s. By the late 1980s the organisation changed leadership once more, “when the Quechua-speaking coca growers seized control of the CSUTCB from the Aymara *Kataristas*” (Van Cott, 2005:57). CIDOB also proved to be extremely flexible and adaptable to the processes of social and political changes unleashed by *glocalisation*.

Therefore, we should not understand this shift as decoupled from the trends experienced by the international system during the 1980s. It is not a coincidence that the ILO, an institution

---

<sup>47</sup> See Chapter Four.

<sup>48</sup> See Chapter Four for further references to the CSUTCB’s 1983 Political Thesis

created to promote the rights and interests of the working classes throughout the world, approved the 169 Convention on Indigenous and Tribal Peoples in 1989. It is not a coincidence either that just one year later, CIDOB organised a *March for Territory and Dignity*. By 1991 Bolivia ratified the ILO Convention which acquired the status of law in Bolivia.

In sum, we can explain the institutional adaptability and flexibility of the Bolivian peasantry by the combination of i) a highly complex organisational structure that adapted to many national demographic changes and the changes in the global political economy; ii) and an extremely ideological outlook framed by the juxtaposition of a class and an ethnically oriented political discourse. Using these tools the peasantry legitimised itself inside and outside the country by denouncing RN as a nation-building project and the social costs of neo-liberalism. In a second stage, without abandoning the politics of mobilisation, they adapted to the formal politico-institutional changes that the country embarked on by the mid-1990s. This type of organisational flexibility explains the ability of these organisations to bridge the divide between class and ethnicity, rural and urban politics, formal and informal economies and, finally, global and local arenas.

On the contrary, the COB, which clung to an orthodox Marxist discourse, could not adapt to the transition to democracy in the context of an acute economic crisis. Secondly, its organisational rigidity, by which the miners historically monopolised its leadership, was severely weakened when the state-led mining industry collapsed. These two path dependent trends, traceable to the 1952 Revolution explain the legitimacy crisis of the COB, through which the organisation lost its role as the representative of Bolivian popular demands.

### **5.1.2 Regionalism: From the *March to the East* to the Rise of Civic Committees**

The *march to the east* unleashed a re-composition of the interregional relations within Bolivia. James Malloy observed in 1982:

“The newest and most difficult factor to assess in the Bolivian political equation is the emergence of Santa Cruz as a regionally self-conscious political force. While it is doubtful that Santa Cruz could dominate the rest of the nation, it does seem to have achieved the power to veto either governments or policies deemed hostile to its interests....Should a government emerge that projects a radical populist as well as pro-Altiplano image, the probabilities of secession and civil war become a grim possibility” (p.56).

During the Banzer regime, *civic committees* became the institutional channels through which regionalist demands were elevated to the consideration of government. Later on, when the military-peasant pact was broken, Banzer turned to *civic committees* looking for new sources of support. He did so by creating corporatist networks through *Regional Development Corporations*. While the regime opened the channels of interaction with these corporations; they started a process of incorporation of “a wider social base” (Laserna, 1987:378). This dynamic even penetrated the internal structures of the COB, which registered conflicts between the national COB and the departmental branches (*Centrales Obreras Departamentales* or *COD's*).

By 1980 *civic committees* acquired political autonomy and distanced themselves from the dictatorial regimes. During the *First National Congress of Civic Committees*, in June 1982, there was unanimous support for the position of Santa Cruz, whose delegation favoured the return of democracy and constitutional rule. In 1984, a nation-wide civic movement formalised its demand for the political decentralisation of the country.

RN was a centralist state-building project. However, through the *march to the east* RN gave way to a, *de facto*, economic decentralisation of the country. To control the increasing demands for a political decentralisation from the elites of Santa Cruz, RN tried to manipulate them through corporatism and clientelism. Nevertheless, after 25 years of successful economic change in Santa Cruz, *civic committees* rejected further attempts of manipulation by the late military regimes, withdrawing their support for the military leadership. Furthermore, the fact that they later demanded a state reform to decentralise the state, contrary to the postulates of RN, shows that they no longer endorsed the foundational legitimisation discourse of RN, regarding the territorial structure of the state.

Therefore, an un-intended consequence of the RN strategies of legitimisation was the rise of a nation-wide civic movement which, contrary to RN, called for the political decentralisation of the state towards the departmental level. Civic committees exercised an important lobby during all the governments of *pacted democracy*. By 1993 they managed to insert a law project for the political decentralisation of the country, which was passed by the senate in January 1993.

In sum, after the fall of RN, between 1982 and 1985, the structure of legitimacy and the patterns of legitimation became more complex. Legitimation shifted from the patterns established in the wake of 1952 when it oscillated between corporatism and the politics in the streets, towards a system monopolised by parties and competitive elections. This system, in turn, would be in charge of processing the demands for the re-legitimation of the state coming from re-emerging ethnic and regional cleavages, in times of *glocalisation*.

## **5.2 Disrupted Social Cleavages, Legitimation, and the Evolution of the Party System (1985-1999)**

### **5.2.1 Consolidating *Pacted Democracy* (1989-1993)**

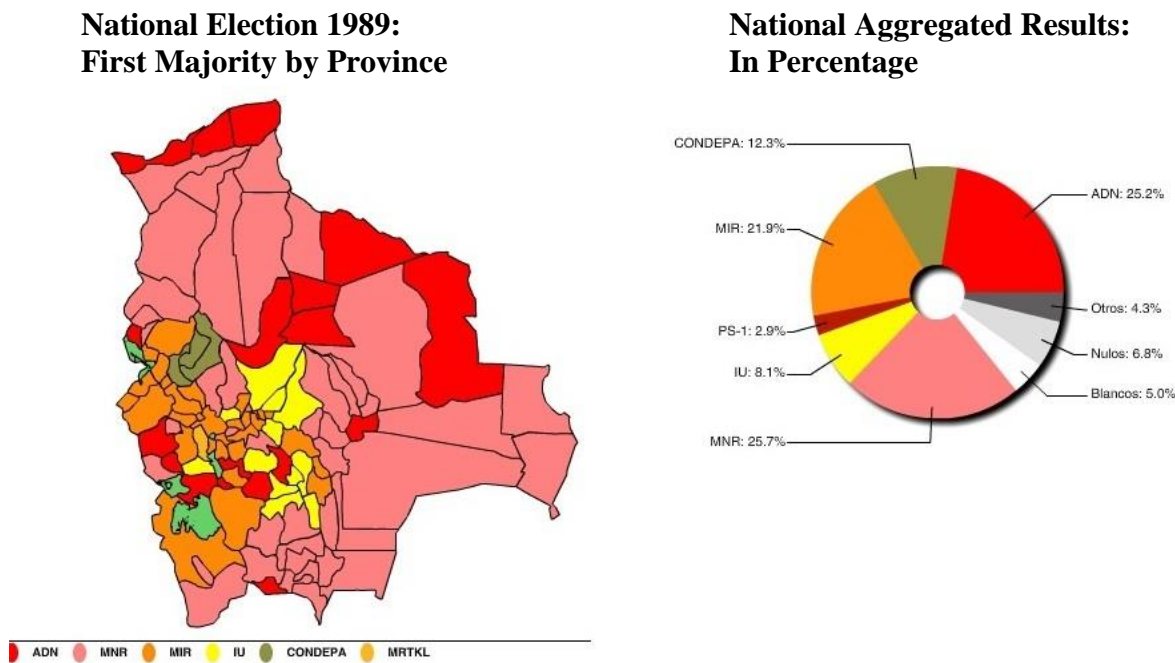
In 1989, Bolivia carried out its second national elections under *pacted democracy*. Sánchez de Lozada, novel leader of the MNR, proudly acknowledged his role in promoting the NEP. Acknowledging the social costs of the reform, especially the increase in unemployment and the informal economy, he committed to re-activate the economy by opening the country to foreign investment (Ibid).

Another important aspect of the 1989 election was the key influence acquired by the mass media, in particular TV. By 1989, there were three nation-wide TV networks connected to local stations in most cities (Laserna, 1992). Mass media facilitated the emergence of the first Bolivian *political outsider* – Carlos Palenque – and his party CONDEPA. Carlos Palenque was a folkloric musician who founded a Radio/TV station called *Radio Televisión Popular* (RTP), in La Paz. RTP became a platform for the growing informal sectors to express their daily concerns and to create a sense of belonging. Over time, RTP's editorial line became very critical of neo-liberalism.

CONDEPA sought to represent the popular sectors that emerged out of the disruptive impacts of neo-liberalism on the class cleavage, although it also acknowledged the increasing importance of ethnic identity within many of its supporters. CONDEPA's performance in the national election of 1989 was impressive; it established itself as the fourth political force nationwide, accounting for 12.3% of the popular vote. Its strongholds were in urban La Paz, where it obtained 30.1% of the votes; secondly to El Alto, where it obtained 47.1% of the electoral support. The traditional left, represented by a splinter from

the MIR, United Left (IU) was relegated to the rural valleys of Cochabamba and Chuquisaca.

**Figure 19 National Elections of 1989 (Electoral Geography)**



Source: TSE/PNUD, 2013; the terms *otros*, *nulos* and *blancos* mean other, nul and whites in English<sup>49</sup>.

As shown in Figure 19, apart from the surprise of CONDEPA, the political system stabilised. The MNR won the election with 25.7% of the votes, followed closely by the ADN, which obtained 25.2%. The third place was occupied by MIR, which increased its share to 21.9% of the electoral preferences. These three parties consolidated as the pillars of the political system, gathering almost 73% of the aggregated vote, fairly distributed throughout the territory. They were able to crosscut the ethnic, regional and class cleavages of the Bolivian society. However, the appearance of CONDEPA assembled the first voices of discontent with the effects of the structural reforms. CONDEPA represented informal dwellers, former miners, and rural migrants from the *altiplano*, in other words, those affected by the economic crisis and stabilisation reforms. The MNR was also concerned by its declining support in the rural highlands, historically supportive of the party.

<sup>49</sup> This applies for all following graphs in this thesis.



The MNR and ADN broke their *pact for democracy* in bitter terms, in 1988. This gave way to the formation of an unusual alliance between AND and the MIR. The MIR was born precisely to fight the Banzer dictatorship in 1971<sup>50</sup> and Banzer imprisoned and exiled leaders of the MIR. More than a decade after, however, he accepted to give the presidency to the MIR's leader, Jaime Paz Zamora. The latter expressed during the campaign that he would not form a coalition with Banzer because *rivers of blood divided both parties*. In August 1989, however, they formed a government under the so-called *Acuerdo Patriótico* (Patriotic Accord).

For some authors, these were positive signs of a transition towards a consensus-oriented political order (R. A. Mayorga, 1999; Laserna, 1992). However, when leaders of the MIR were formally accused of corruption, parliamentary coalitions were increasingly criticised. Oscar Eid Franco, for example, a top figure of the MIR was jailed in connection to a drug trafficking scandal. Consequently, civil society started to express discontent with political parties. In a poll carried out by FES-ILDIS in 1989 (Hoffmann)<sup>51</sup>, more than a third of the respondents considered that no party represented their interests; signaling future problems of de-legitimation. Furthermore, electoral manipulation in a partisan electoral court undermined the trust of the citizenry in the system even further. The 1967 constitution was not able to guarantee a balance between electoral legitimacy and legality. In short, the gap between legality and legitimacy was slowly widening again.

### **5.2.2 Reforming Pacted Democracy (1993-1995)**

After an unusual summit between trade unions, the private sector, media associations, civic committees and the Catholic Church, these sectors demanded to reform the constitution and the electoral law. Important international players shared this position such as the WB and the IMF (R. A. Mayorga, 1999). Hence, between February 1991 and July 1992, the main political parties agreed on major institutional reforms of the structures of the state and the political system. "The agreement of July 1992 made possible, amongst other things, the constitutional reform of 1994 according to constitutional precepts, the electoral reforms carried out in 1994; the Administrative Decentralisation Law of 1995, the reform of the

---

<sup>50</sup> Interviews with Oscar Eid, Alfonso Ferrufino and other former members of MIR.

<sup>51</sup> The survey was carried out in the cities of La Paz, Santa Cruz and El Alto.

judiciary in 1998, and the political parties law of 1999” (Laserna, 1992; R.A. Mayorga, 1999:349-357).

The elections of 1993 were thus strategic because they opened a window of opportunity for political parties to change the constitution. As mentioned before, the MNR received a warning about the progressive loss of adherents in the Bolivian highlands, particularly in the *Aymara* regions of the *altiplano*.

Different *katarista* parties, with varyi levels of radicalism<sup>52</sup> unsuccessfully entered the electoral scene in the late 70s and the early 80s. However, Víctor Hugo Cárdenas and his party, the MRTKL<sup>53</sup>, displayed a less radical discourse which enabled him to become a member of parliament in 1985<sup>54</sup>, using a thoughtful campaign proposal for the transition towards a multicultural and plurinational state (Albo, 1993).

Selecting a vice-presidential candidate was important for the MNR for the elections of 1993, because they detected the loss of support in rural areas and the emergence of new actors in the urban centres of the country. Hence, during the MNR’s convention and with a decisive support from Sánchez de Lozada, from those elections onwards popularly known as *Goni*, Cárdenas was selected as the candidate for the Vice-Presidency (Albó, 1993).

The MNR-MRTKL alliance displayed its government proposals in the *Plan de Todos*, Plan for Everyone. According to Albó, *the Plan* meant an important turn in the MNR’s conception of nationalism by stating:

The presence of new actors in the new international economic order, and the process of universalisation of the political relations in the world, invite us to enrich our conception of nationalism... acknowledging social and cultural pluralism. This pluralism must be funnelled towards the construction of a strong, integrative and unitary state (Ibid, quoting *Plan de Todos*, 1993:17).

---

<sup>52</sup> There are two ideological branches in *katarismo*, *katarismo* proper and indianismo. *Katarismo* proper was less nationalist, less radical and closer to the theory of *the two eyes*; furthermore it was concerned about the intercultural relations within Bolivia. Indianismo, on the other hand, was more radical, more ethno-nationalistic and with more international ties.

<sup>53</sup> Movimiento Revolucionario TupaJ Katari para la Liberacion.

<sup>54</sup> In that occasion with the party called MRTK. MRTK suffered a further division in 1989, giving way to the birth of MRTKL

Although Cárdenas was a defender of the project of a plurinational state, at odds with the historical project of the MNR of creating a *mestizo* nation; the new proposal was a middle ground between both projects. Bolivia would still be *one national state* but the state would recognise the ethnic diversity of its own society. The Plan acknowledged the process of globalisation as the key driver behind the need for the MNR to revise its nation-building project. This was the response of the MNR to the intersection between the endogenous/local rise of *katarismo* and *glocalisation*.

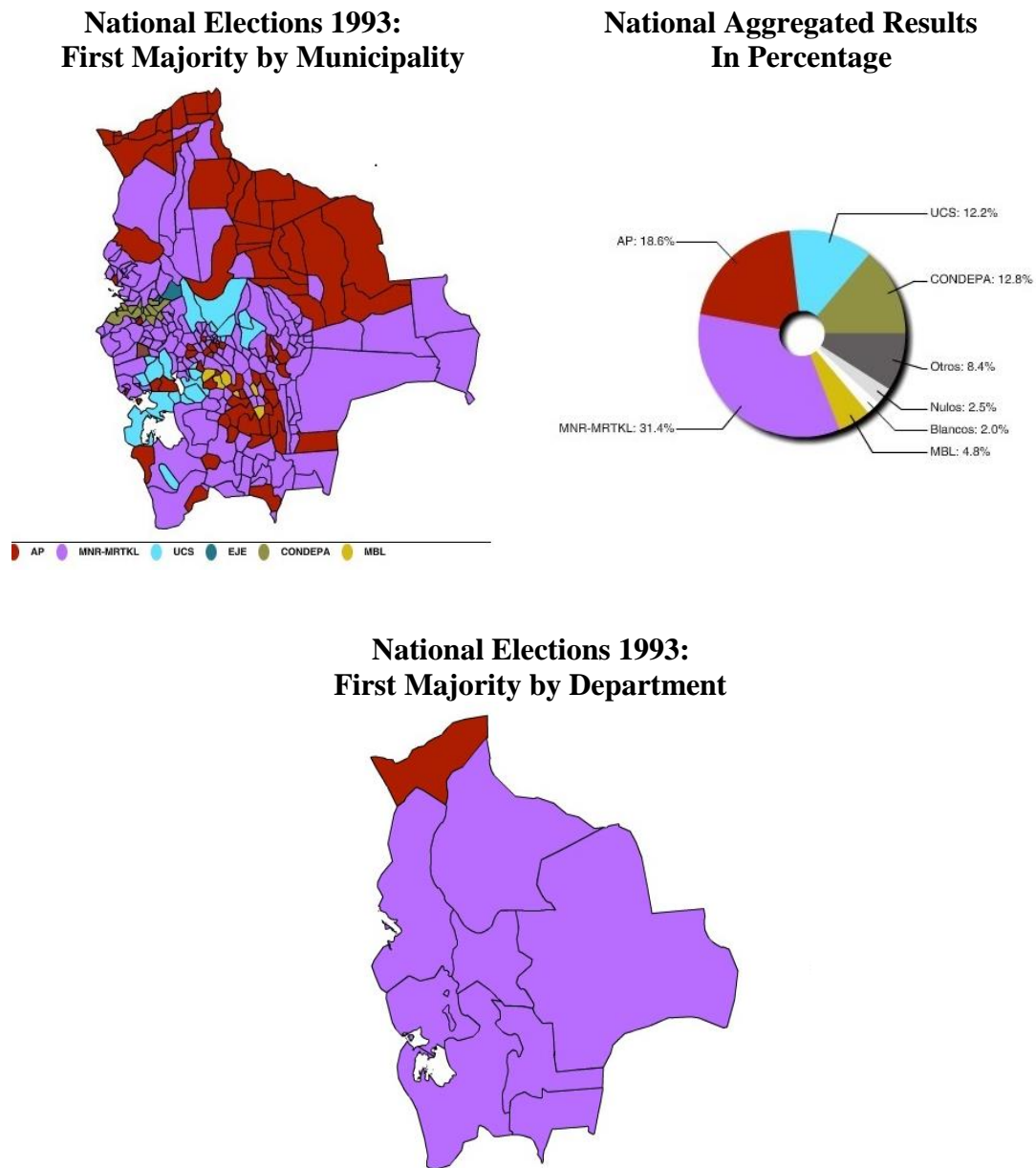
According to Albó (Ibid.) the most important influence of the MRTKL in the *Plan de Todos* was related to: i) an emphasis on the community, especially the indigenous one; ii) the idea of a pluralist democracy; and iii) the project of a bilingual and intercultural education. The Plan established that the existing indigenous grassroots communities, such as the *ayllus*, would “...identify the needs and to agree upon the mechanisms for the delivery of public works with the relevant agencies” (Ibid, quoting *Plan de Todos*, 1993:41). This would be carried out in the framework of the PPL, through OTB’S<sup>55</sup>. The state would be in charge of strengthening the existing associations or to boost their creation wherever they were not existent (Ibid).

The reform aimed at re-legitimising the party and the state from the local level, since *Goni* realised that “those governments that are closer to the people, are the more legitimate” (Interview with Sánchez de Lozada, 2013).

---

<sup>55</sup> See Chapter Four for a discussion on OTB’S.

**Figure 20 National Elections of 1993 (Electoral Geography)**



Source: TSE/PNUD, 2013

The Plan envisaged an electoral reform, by which half of the lower chamber would now BE elected in Simple Majority Districts (SMDs), linked to the local level (Albo, quoting *Plan de Todos*, 1993). Finally, acknowledging the professional quality of Cárdenas, the Plan spelled out the need for a “bilingual, intercultural, integrated, productive, communitarian and flexible” (Cárdenas quoted by Albo, 1993:76) education system.

In the elections of 1993, the MNR-MRTKL alliance obtained a clear victory, as shown in Figure 20. The MNR-MRTKL alliance obtained 32.4% of the votes nationwide, the highest percentage any party obtained since 1980. MRTKL was decisive in giving the MNR a victory in La Paz, where the MNR had not won an election since the return to democracy in 1982. This time the alliance obtained 25.4% of the votes; whereas CONDEPA, whose stronghold was La Paz, obtained a second place in the department with 24.8% of the popular support. The alliance even came first in the city of La Paz (TSE/PNUD, 213). CONDEPA was only able to sustain its victory in El Alto. Finally, the classic strongholds of *katarismo*, the municipalities of Achacachi, Batallas, Sorata and Pucarani, surrounding the Titicaca lake, were decisive in securing the victory of the MNR-MRTKL alliance in La Paz.

The surprise in the election was given by the emergence of a second neo-populist party, called Unidad Civica Solidaridad (UCS). The leader of UCS was Max Fernandez, an entrepreneur from humble origins who had climbed the ranks of one of the biggest companies in Bolivia, the monopolistic *Cerveceria Boliviana Nacional (CBN)*, the Bolivian National Brewery. In the 1989 municipal elections UCS already obtained 16.6% of the aggregated national vote. By 1993, UCS virtually tied with CONDEPA in the third place. Max Fernandez was a pragmatic outsider who used the nationwide logistics of the CBN to deliver public goods and to build clientelistic networks. (Laserna, 1992; Albo, 1993).

Fernandez has been described as an outsider because he was not a traditional *white and educated* businessman but rather a typical case of what Carlos Toranzo (1991) labelled the *Burguesia Chola* (Cholo Bourgeoisie). In any case, the rise of CONDEPA and UCS was a clear sign of the dislocating effects of neo-liberalism on the Bolivian class structure, by which the class cleavage was being transformed and re-signified. The cleavage was playing out in two dimensions. Because of the increase in the size of the informal sector after the collapse of the COB, the horizontal divide between those who were inside and outside the formal economic structure was widening. By 1993, these sectors, represented by CONDEPA and UCS, accounted for a quarter of the overall electorate. The party system had to adapt in order to absorb these sectors.

In 1993 UCS obtained 20 MPs and one senator. This senator gave UCS the key to form a coalition; because the MNR-MRTKL alliance obtained 17 Senators out of 27, short of the

two thirds necessary for passing a constitutional reform. Hence, the MNR-MRTKL alliance signed the so-called *Governance Pact* with UCS<sup>56</sup> and the *Pact for Change* with MBL (R. A. Mayorga, 1996). *Movimiento Bolivia Libre* (MBL) was a left-oriented party that obtained 7 MPs under a progressive intellectual platform.

With two thirds of the senate and almost two thirds of the lower Chamber, this coalition carried out the first constitutional reform that was undertaken under the procedures established by the constitution itself (Ibid, 1999). The congress of 1993 approved, by a two thirds majority, a Law for the Need of a Constitutional Reform (LNCR). The latter would be the base for a new congress to pass, by two thirds as well, a Law for the Reform of the Constitution (LRC).

The constitutional reform of 1994 was highly influenced by the *Plan de Todos*. The key reforms to the constitution entailed the acknowledgement<sup>57</sup> of the multi-ethnic and pluricultural character of the Bolivian state. It created the SMD's through which half of the lower chamber would be elected in the future; it strengthened the judiciary by creating a constitutional court in charge of the control of legality, a council of the judiciary and an ombudsman.

In sum, the legitimacy crisis of the RN state after the collapse of the UDP and the COB, led to the instauration of new patterns of legitimation through elections and parliamentary coalitions between political parties, or *pacted democracy*. Soon after, however, the coalitions in government saw the limitations of the 1967 constitution in channelling the emerging de-legitimising discourses coming from within a changing society. The structure of cleavages was shifting with regards to the relative salience of class, ethnicity and regionalism. The limits of the electoral rules in securing fair elections damaged, after 1989, the legitimacy of the system. The system was also unable to deliver economic policy conducive to tackle the social effects of the structural reforms.

This led to the emergence of neo-populist outsiders which were, nevertheless, absorbed by the system during the 1990s. Furthermore, civil society and the international community

---

<sup>56</sup> Absorbing, in this way, the new neo-populist figure.

<sup>57</sup> Article One of the 1994 Bolivian Constitution

demanded constitutional reforms to bridge this growing gap between legality and new actors' demands for either the transition towards a plurinational state, or for the departmental decentralisation of the state. The 1991 and 1992 interparty agreements for a modernisation of the state and the alliance between the MNR and the MRTKL, around the *Plan de Todos*, led to an ambitious reform. These emerging legitimacies were absorbed by a liberal-multiculturalist agenda, located between neo-liberalism, departmental decentralisation, and the demand for a *plurinational* state.

The most audacious and radical of these reforms reform was the decentralisation towards the municipal level. We turn now to the analysis of this reform and its impacts on the development of the political party system.

### **5.3 Decentralisation and its Effects on the Legitimacy of the Party System (1994-1999)**

The demands for decentralisation in Bolivia had been historically related to the tensions between the central government and peripheral departments, particularly in times of socioeconomic change. This was the case in the *Federal War* analysed in Chapter 3. Moreover, the 1952 revolutionary government, despite having a highly centralist orientation, invested important resources in the *march to the east*. As a result of the above, by the early 1980s *civic committees* transformed into a nation-wide movement demanding the creation of elected departmental governments consisting of an executive branch led by an elected prefect; and an elected deliberative body endowed with accountability powers (Landivar, 1987).

From 1984 onwards, the civic movement lobbied to obtain a departmental decentralisation law in parliament. Finally, in January 1993 they managed to influence the senate<sup>58</sup> to approve a project for a decentralisation law by which the prefects and the departmental assembly would be elected by popular vote. *Plan de Todos*, however, did not contemplate such a scheme.

---

<sup>58</sup> The Senate represents the 9 Departments of Bolivia in egalitarian manner. In 1993 it was composed by 27 members. Each Department had three Senators, out of which 2 would correspond to the electoral majority, and one to the party that obtained the second place.

### 5.3.1 Re-legitimation. The Political Intentions behind the Decentralisation of Politics

Sánchez de Lozada considers himself as “an enemy of federalisation [because it facilitates] the capture of power by local elites”. According to him, “regions such as Camiri or Santa Cruz” wanted to advance towards federalism (Interview with Sánchez de Lozada, 2013). Furthermore, he added that:

“... the elites of Santa Cruz permanently complained: ‘we don’t receive help from the [central] government’; however, in reality, we faced two hyperinflations in order to give money to Santa Cruz...COMIBOL went to bankruptcy...but [Santa Cruz] and Tarija were in the same game...the same violence. Later, I realised that the great strength of the American and the Scandinavian democracies reside in the local government” (Ibid).

Therefore, he reasserted that one of the roots that gave birth to the PPL was the idea of “overcoming this historical [conflict] between federalism and unitarianism [that lies at the heart of] Bolivian history” (Ibid). The second source of the reform was related to the realisation that Bolivian provincial sections largely matched “the indigenous *ayllus*” (Interview with Sánchez de Lozada, 2013) and the cantons matched many “indigenous communities” (Ibid). Hence, since up until 1994 municipal elections were mostly held in urban areas, “the countryside didn’t participate [in politics] and the city was a sort of walled city” (Ibid). On top of this, when Sánchez de Lozada visited the rural areas, he acknowledged that “in places where the party still existed, [its members] were elderly. The party commanded strong support in rural areas for many decades since 1952” (Ibid); however, this support was deteriorating as this generation grew older.

Therefore, by transferring electoral legitimacy to the local government, the MNR, in alliance with a *katarista* party, could re-assert its supremacy in the rural highlands; while dismantling the *civic committees*’ demand. The PPL granted an automatic legal recognition of 12,000 peasant communities and 8,000 neighbourhood associations to which specific rights and obligations in policy-making were attached. The functional/corporatist representation promoted by the revolution shifted dramatically towards territorial forms of representation (Groebe in FES-ILDIS, 2010).

The PPL territorialised Bolivia in 311 municipalities, which included urban and rural areas. From then onwards, every mayor was elected in municipal elections, as well as a



deliberative body of councillors whose number fluctuated between five and eleven, according to the population density. The population elected the councillors, out of which, the first in the list could run for the position of mayor. If no party reached more than 50% of the votes, the councillors elected the mayor out of the two candidates with most votes (R. A. Mayorga, 1996).

These changes had important effects in the structure of legitimacy and the patterns of legitimation at both the local and the national levels. The PPL created 311 local spaces for the legitimation of local governments through the oversight committees and the periodic election of the mayor and councillors. The changes also allowed for new leaders to run for elections or be part of the oversight committees at the local level. Finally, the local government, as an institution, would compete with the national level for public support by claiming to be a better provider of public goods.

These reforms also affected the patterns of legitimation at the national level. Firstly, through the link that was established between local and national politics by the creation of the SMDs that elected half of the lower chamber, the legitimacy of political parties and congress was tested at the local level. Secondly, the PPL created oversight committees, formed in many cases by indigenous leaders elected under customary rules. These rules were recognised as formal institutions for the first time. Therefore, the rules and principles of representative democracy were tested *vis-à-vis* the forms of direct and communitarian democracy at the local level. Thirdly, these institutions *were* connected to the constitution and its acknowledgement of the state as multi-ethnic and pluricultural, a situation that gave way to the opening of new spaces for the discussion of the legitimacy of the state and the nation.

The PPL and the introduction of the SMDs dramatically shifted the patterns of legitimation installed in the wake of the 1952 Revolution. From 1952 onwards, legitimation took place through the combination of corporatism, clientelism, and the politics in the streets, punctuated by electoral events that functioned as *plebiscitarian* endorsements of what had already happened *de facto*. The relationship between the state and the rural area was structured through clientelistic relations between the government and the peasant trade-unions. The relationship between the civil or military governments and the urban population, on the other hand, took place through corporatist links between the state and

functional groups or neighbourhood associations. On the contrary, since 1994, there was a shift from a functional towards a territorial understanding of legitimisation in which corporatism, clientelism and mobilisation were either territorialised or sidelined by competitive elections.

Last but not least, the constitutional recognition of the principles inspiring the PPL and the acknowledgement of the state as multi-ethnic and pluricultural, aimed at accounting for the demands for departmental governments and a plurinational state. This, however, without advancing towards federalism or pluri-nationalism, both clearly antithetic to the historical postulates of the MNR.

### **5.3.2 De-legitimation. The Unintended Consequences of the De-centralisation of Politics**

Víctor Hugo Cárdenas stated, before taking office, that his election as a vice-president symbolised the “opening of a gap in a wall, for the Bolivian democracy to become...not just a political democracy but an economic, cultural, ethnic, linguistic, gender and generational-sensitive democracy” (Card emerging enas quoted by Albó, 1993:75). After 1994, the key question was whether demands from the local level would be sufficiently accommodated by the political parties. This would depend on the ability of the political parties to change their internal organisation to become the vehicles channelling such demands (David Blanco in FES-ILDIS, 2010). However, the party system established during *pacted democracy* collapsed.

New political actors, from the local level, projected their leadership to national politics from 1997 onwards. In December 1994, leaders of the CSUTCB discussed the creation of a political party. Between the 25<sup>th</sup> and 27<sup>th</sup> of March 1995, in the framework of *the Congress of the Political Instrument, Land and Territory* convened in Santa Cruz, the three major indigenous and peasant organisations – CSUTCB, CSB and CIDOB – “decided to form an indigenous political party or The Assembly for the Sovereignty of Peoples (ASP<sup>59</sup>), in order to participate in the December 1995 municipal elections” (Van Cott, 2007:69). The conclusions of the CSUTCB congress stated:

---

<sup>59</sup> Asamblea por la Soberanía de los Pueblos.

“Until now the traditional parties have only spoken in our name in Parliament and the mayor’s offices, but they haven’t done anything to resolve our problems. The moment has arrived in which we represent ourselves, in which the original peoples, the working class, and the exploited of the cities begin to forge our own destiny with our own hands... ideas and...representatives” (CSUTCB, 1996:69, quoted and translated by Van Cott, 2007:70).

Before 1993, leftist parties – IU and the MBL – approached indigenous and peasant sectors to re-invigorate their languishing class-based support. They did this, however, in a top-down manner. After 1994, political parties still had a legal monopoly of representation, but the PPL and the creation of SMDs empowered local organisations *vis-à-vis* the party structures, for the selection of leaders. In 1995 the ASP allied with the IU once again. This time, however, the coca-growers dominated the lists of candidates and therefore were highly successful in the Chapare region. 1,189,896 people voted throughout the country in 1993, before the approval of the PPL. In 1995 1,805,573 votes were cast nationwide, increasing the turnout by more than 50% (Calla and Calla, 1996). In 1993 the IU obtained an aggregated number of 9,095 votes in the municipal elections; whereas in 1995, in alliance with the ASP, it obtained 51,458 votes nationwide (Ibid). The “ASP [in alliance with IU] swept municipal election in the Chapare and won ten mayors [and] 49 municipal council seats”. (Van Cott, 2007:85-86). Furthermore, taking advantage of the SMDs, “the ASP won four of the newly created uni-nominal congressional seats representing its base in the Chapare [in 1997]” (Ibid).

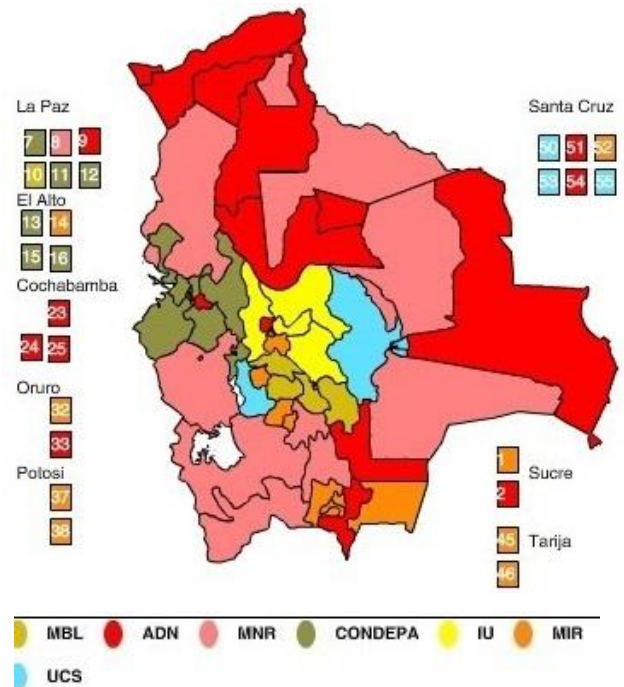
The MBL’s strategy to adapt to the new political landscape was to draw on the existing local leaders and organisations. In the eastern low-lands, they established an alliance with CIDOB, allowing their leaders to draft the local government programmes (Ibid; Faguet 2012a, b). In urban areas, the MBL opted to promote independent candidates. For example, an anti-systemic leader, Manfred Reyes Villa, won the seat of Mayor of Cochabamba sponsored by the MBL, obtaining more than 66% of the votes (R.A Mayorga, 1996). Later, Reyes Villa would form his own political party called Nueva Fuerza Republicana (NFR). Using this strategy of forging local alliances, the MBL multiplied its national share of the votes to 13.3% in 1995. Nevertheless, the strategy would prove to be detrimental for the party eventually.

**Figure 21 The Electoral Performance of the IU-ASP Alliance Between 1995 and 1997**

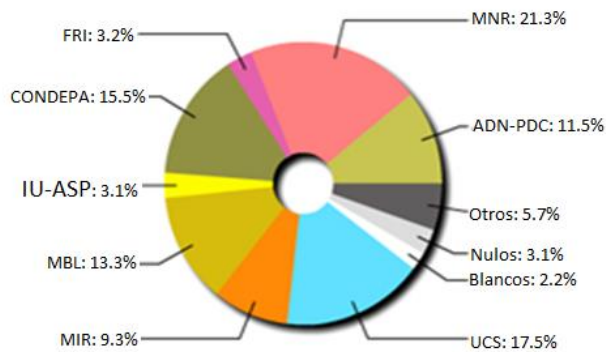
**Municipal Elections 1995:  
IU-ASP Performance**



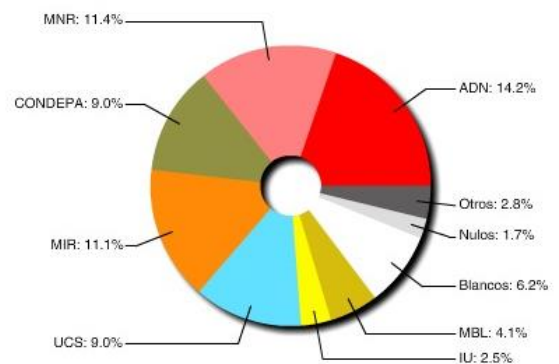
**National Elections 1997: First majorities  
by Uninominal Representation (SMDs)**



**National Aggregated Results**



**Aggregated Percentage**



Source: TSE/PNUD, 2013

The strategy used by the MNR to adapt to the reforms was to change its internal structures towards territorialisation. In 1990, the party approved a new statute in which territorial organisations were given more weight than the functional ones. The party was organised in an upward level from neighbourhood and rural community commands, passing through district and departmental commands, and ending at the level of a national convention.

Furthermore, since 1992 the MNR organised internal elections following these territorial districts (M.T. Paz, 1997). During the presidential campaign of 1993 Goni, acting as its leader, “already organised the party in the framework of [the future] decentralisation” (Interview with Sánchez de Lozada, 2013).

The key reason for these reforms was the permanent obsession of the MNR’s leadership with the rural area, which motivated the alliance with the MRTKL. According to Maria Teresa Paz, former MP, the MNR carried out an internal analysis after 1993. They detected a trend towards the urbanisation of the MNR’s electorate. She believed, however, that the MNR’s “rural electorate was going to increase from the entry into force of the PPL” (interview with Maria Teresa Paz, 2015). She was wrong.

In 1997 the MNR lost almost half of the popular support obtained in 1993, including the rural western highlands. These were unintended consequences of the PPL and the introduction of SMDs. The MNR empowered the rural areas trying to regain the historical support of the peasantry; however, this was not the same peasantry with which the old party established an alliance in 1953. It was more autonomous, it was empowered and, above all, it had another political project in which ethnicity mattered more than class. On the other hand, many urban sectors felt side-lined by the pro-rural agenda of the PPL, and they turned to other options, either neo-populist or the ADN and the MIR.

By 1997, urban and rural electoral dynamics were decoupling from each other. For example, as shown in Figures 21 and 22, one can see that the ADN won in Cochabamba. However, this victory can be explained mainly by its urban performance in the capital; whereas the IU-ASP alliance swept the rural area. In fact, the coca growers’ leader, Evo Morales, “won a larger share of the vote in his district than any other candidate in the country [!]” (Van Cott, 2007:86). This divergence between electoral geography and electoral demography, explainable to a large extent by the PPL and the SMDs, was going to install itself as a trend in the future. Furthermore, the territorialisation of representation would finally lead to the collapse of the political party system established in 1985.

The defeat experienced by the MNR in the 1997 election, thus, does not stem from the lack of success of the PPL and the SMDs, but from a combination of its success and the

emergence of new actors and discourses coming from the rural area. These leaders, standing upon the shoulders of a successful territorialisation of politics, would soon question the legitimacy of the state and political institutions.

### **5.3.3 Decentralised Politics from Below versus Centralised Politics at the Top**

The PPL decentralised electoral legitimation to the local level. This new dynamic, however, did not match the longstanding centralisation of party politics at the top of the traditional party's structures. In the case of the MNR, the party suffered from important tensions at the time of the succession from the historical leader, Paz Estenssoro, to the leadership of Sánchez de Lozada. In 1989 the party experienced internal elections and two candidates competed for the leadership, Sánchez de Lozada and Guillermo Bedregal, a historic leader who participated in the Revolution of 1952. Bedregal thought was popular with the historical sectors of the MNR, leaning to the left-of-centre. He thought that a turn to the left was needed due to the social effects of the neo-liberal reform (2010; interview with Bedregal, 2011). However, Bedregal thinks that *Goni* facilitated the capture of the party by the money and interests of the national business association<sup>60</sup>, of which *Goni* was a founding member.

Maria Teresa Paz<sup>61</sup>, an MP representing the MNR in La Paz from 1989 to 2005, disagrees with Bedregal's analysis. She thinks that "Bedregal was in reality at the right of the party and that Goni had more progressive ideas" (Interview with M.T. Paz, 2015). In any case, the most important point is that the party did not decentralise at the top; in reality it passed from one *caudillo* to another, from Paz Estenssoro to *Goni*.

Paz and Bedregal agree that Goni carried out the reforms of 1993-1997, including the PPL, supported by a network of actors that were far away from the formal party structures. Throughout the whole process "the party was absent...the important decisions were adopted within the personal circle of the President...I always called this circle the capsule, because it was so restricted that it was not even a clique" (Bedregal, 2010:909). Even though the party developed a very modern democratic internal statute, "the internal dynamic of the

---

<sup>60</sup> Confederación de Empresarios Privados de Bolivia.

<sup>61</sup> The interview took place in 2015.

party was marked by a conflict between *gonismo* and *anti-gonismo*. The focal point of the struggle was the leader transformed into a *caudillo*” (Ibid). To Paz, in the first years after the PPL was adopted, the party did not struggle to adapt to it. “The so-called *Comandos Zonales* [local territorial branches of the party] were very important in helping to adapt to the reform, and assured the party a presence even in the most isolated locality” (Interview with M.T. Paz, 2015). However,

“This dynamic slowed down by the end of the 1990s and the early 2000s...Goni gave less importance to the party and the people started to lose organic links and emotional attachment to it. Many ministers were *independents* and were not interested in mobilising popular support...There was an imbalance between technical expertise and political commitment. In sum, *Gonismo* became a party within the party and many people lost attachment to the MNR” (Ibid).

Another example of the effects of decentralisation on the the *traditional parties*’ structures is given by the case of the MIR<sup>62</sup>. The MIR emerged as a clandestine organisation in times of dictatorship. It relied on unwritten rules, one of which established a collegiate directorate. The party was initially organised along functional segments representing *the workers, peasantry, and students*, which made part of the decision-making body. After surviving the collapse of the UDP, however, the party replaced its collective directorate for a national *Jefatura* or leadership. Secondly, the structure was reorganised from a functional towards a territorial structure with departmental directions.

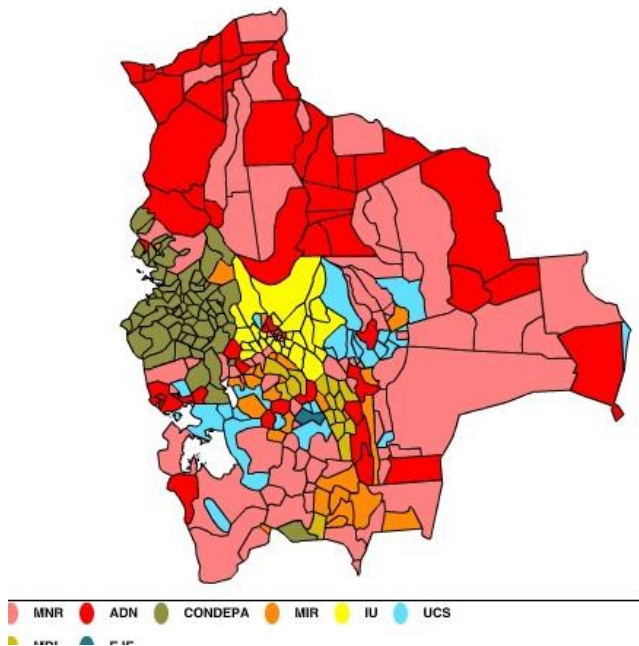
These reforms created tensions within the party. After Paz Zamora consolidated his hegemonic leadership at the national level, the departmental directors replicated his personalistic style within their territories. When the departmental leaders started to gather too much power within their regions, Paz Zamora promoted counter-hegemonic departmental leaders, which accelerated factionalist struggles. Since the party was not formally institutionalised, these conflicts became detrimental for the party’s stability. Paz Zamora then gathered even further power by positing himself as the only authority able to solve internal struggles.

---

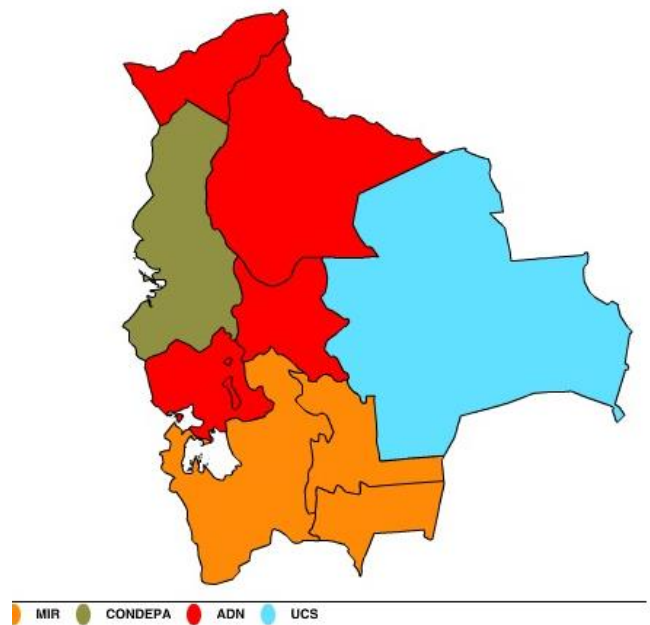
<sup>62</sup> This section is based on the interviews I carried out with Alfonso Ferrufino and Erika Brockman, former members of the MIR, and on the data base of interviews with historical leaders of the MIR, provided by FES-ILDIS.

**Figure 22 National Elections of 1997 (Presidential Vote)**

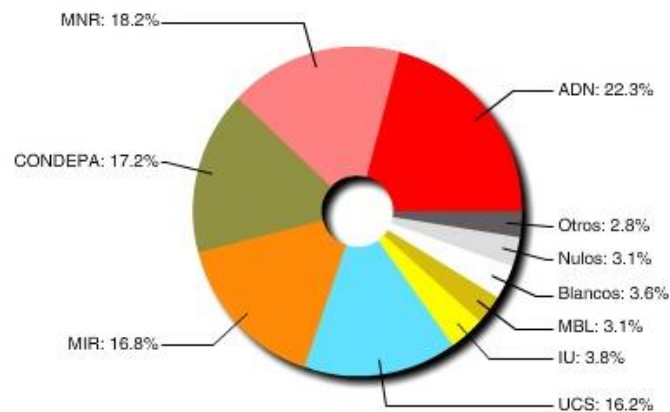
**National Elections 1997:  
First Majority by Municipality**



**National Elections 1997:  
First Majority by Department**



**National Aggregated Results: In Percentage**



Source: TSE/PNUD, 2013

By the 1990s, the regional section of Santa Cruz, due to its economic prominence, started to distance itself from the centre and became more autonomous. Conflicts between the MIR-Santa Cruz and other districts destabilised the party even further. This, in turn, made the presence of Paz Zamora more important to keep the party together. However, this



created a bottle neck effect that blocked the emergence of new leaders able to connect the party to the actors emerging from the process of social change described in Chapter 4. The leadership progressively lost legitimacy within its own ranks, alienating different factions that finally broke with the party at the beginning of the 21<sup>st</sup> century. This included José Luis Paredes, former Mayor of El Alto who created his own party (Plan Progreso) in 2004, and Samuel Doria Medina, businessman from La Paz who also created a new party, Unidad Nacional (UN), in 2005.

A similar dynamic unravelled in the ADN. From its foundation, the party was highly dominated by its historical leader, Hugo Banzer. I interviewed the former Minister of Foreign Affairs from ADN, Javier Murillo de la Rocha, who acknowledged that the leadership of Banzer was indisputable throughout the history of the party. He added that contrary to what many people think, Banzer's leadership was not authoritarian, but rather based on his capacity to generate consensus (Interview, 2015).

As in the case of Paz Zamora and the MIR, this capacity to solve internal conflicts masks two intertwined structural weaknesses of ADN, namely the existence of centrifugal forces within the party, and the increasing delegation of power to the leader, to resolve the conflicts emerging from this fragmentation. "Although, formally, the Executive National Committee and the Political National Committee oversaw solving internal conflicts; the leader of the party had the final say in the resolution of any question" (Ibid.)

After the party lost the elections of 1993, Banzer resigned as leader of the party. According to Murillo, this was a critical moment in which "the authority and recognition of Banzer's leadership were tested. The party was lost...internal conflicts resumed. As a consequence, the entire party, unanimously, asked Banzer to return to the leadership" (Ibid). Banzer accepted and he was elected President in 1997. However, by the late 1990s a conflict emerged surrounding the issue of sucession. The conflict was known as the conflict between *pitutos* (smurfs) and *dinosaurios* (dinosaurs). The conflict was also known as a conflict between *Tutistas* and *Banzeristas*. It was in reality a generational conflict between an emerging technocratic wing led by young leaders, and the old ranks who founded the party and occupied government possitions during Banzer's dictatorial years. The leader of the younger generation was Jorge *Tuto* Quiroga, a young entrepreneur educated in the U.S.A.

Banzer tried to tackle the issue by making Quiroga his vice-president in 1997. However, this did not stop the conflict. When Banzer died in 2001, it was clear that the conflict was serious because Quiroga, once the party faced a legitimacy crisis of the early 2000s, instead of reconstructing the party, opted for founding a new organisation<sup>63</sup>.

ADN seems to have absorbed regional tensions better than the MNR and the MIR. An important part of the explanation resides in the fact that Banzer was from Santa Cruz. During his dictatorial tenure, he favoured the region and empowered the *civic committee*. When ADN governed in coalition with the MIR, according to Murillo, “Banzer made sure that all departments were represented in the cabinet (Ibid). However, the centralisation of power at the top and its extreme dependence on the figure of the leader, finally led to the party’s collapse in the election of 2002, when they obtained just 3% of the popular vote. After all, as Murillo explained, throughout the history of the party he met many sympathisers and members who were “*Banzeristas* instead of *Adenistas*” (Ibid).

Comparing the trajectories of the main traditional parties during *pacted democracy*, thus, we can conclude that while important social and institutional changes were happening in Bolivian, many of which were promoted by these parties, their internal structures remained highly centralised and hierarchical. ADN and the MIR could not process the issue of succession. As soon as *pacted democracy* faced its legitimacy crisis in the early 2000s, the MIR fragmented because the young leaders that saw their careers blocked by Paz Zamora, decided to found new parties. Something similar happened to ADN; however, in this case the legitimacy crisis coincided with the death of the historical leader. The intersection of both events gave way to Quiroga’s foundation of a new organisation – PODEMOS. The MNR survived the death of Paz Estenssoro but the party was fundamentally transformed. *Gonismo* became a party within the party, excluding the rest of the structure from the reforms promoted by *Goni* himself. Consequently, the reforms were not legitimised and appropriated by the party. This has been acknowledged by *Goni*, when he expressed to me:

“They [the party], expected the PPL to be something more political. However, since I am an intellectual, in my first government I attracted many people who were not politicians...and I think I made a mistake, because the MNR was after

---

<sup>63</sup> PODEMOS, to be discussed in Part III.

all a political party, and you need to pass policies that they can identify with...that they can make theirs” (Interview with Sánchez de Lozada, 2013).

Why did traditional parties fail to adapt to change? The answer is that these parties were born and shaped during RN when the state was highly centralised and its relations to society were based on clientelism, corporatism and the politics in the streets. These devices were the tools to process conflicts and demands which were seen through the lenses of class politics. It proved to be impossible for the parties of *pacted democracy* to change their structures to adapt to a competitive, decentralised, and territorialised structure of legitimation. Before 1994, internal party politics could still function as during RN. However, the rise of 311 spaces for the legitimation of local politics, proved to be a difficult challenge for political parties. Because of the shrinking role of the state in the economy, the use of public funds to carry out clientelistic politics was not an option anymore. Furthermore, up until 1999 political parties had no access to public funds. Decentralising these parties, under these conditions, overstretched their institutional capacities. Given these internal limitations, parties opted for *manipulating* already existing organisations in the rural areas, such as in the case of the MBL and the IU. As pointed out by Zuazo (2012) when she quotes an indigenous leader: “Before [the PPL] political parties used us...now we decide” (Ibid: 250).

Since local governments had their own resources, these leaders, once in office, saw no need to rely on *traditional party* structures to advance their careers. After ten years, local leaders and organisations were the ones controlling the parties at the municipal level, imposing their candidates and programmes on them. *Traditional parties* agreed in order to adapt and grow, but this triggered centrifugal impulses within their structures. After all, local governments were, as predicted by Goni, very legitimate, actually more legitimate than political parties, as we can see in Table 9.

**Table 9 The Divergence in Levels of Legitimacy Between Parties and Local Governments**

<b>The Evolution of Trust in Local Governments Vs. Trust in Political Parties (in %)</b>							
<b>Local Governments</b>	43.9	42.6	44.7	47	52.5	53	48.4
<b>Political Parties</b>	28.2	23.1	28.4	23.4	32.1	28.7	32.5
<b>Year</b>	1998	2000	2002	2004	2006	2008	2010

Source: Seligson et al. 2012.

Fragmentation increased within the parties but also at the level of the overall party system, as shown in Chapter 6. The emergence of neo-populist parties was telling of a rising popular disenchantment with the effects of neo-liberalism; therefore, party fragmentation is directly related to decreasing levels of legitimacy of the so-called traditional parties.

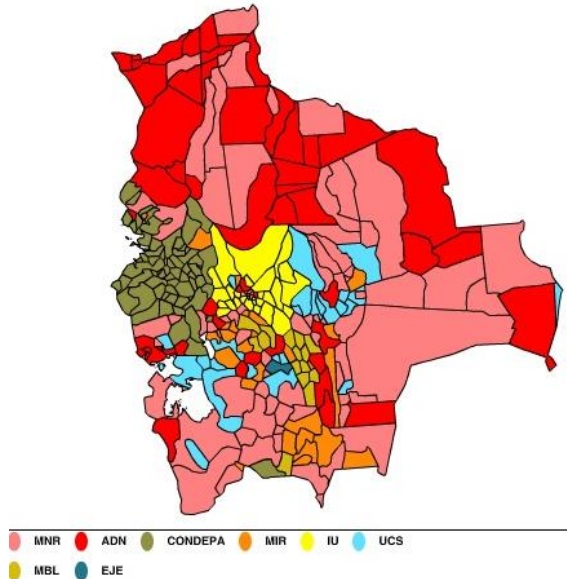
*Pacted democracy* was able to absorb these forces through its inclusion in the governing coalitions up until 1997. However, after the approval of the PPL and SMDs, it became more difficult for these *traditional parties* to absorb these sectors at the national level. New actors as Manfred Reyes Villa emerged in the late 1990s. In 1999, a former member of the MIR, Juan del Granado won the municipal elections in La Paz, based on an *anti-partidocracy* platform. This victory earned his party, the MSM<sup>64</sup>, 5.9% of the votes nationwide. By that time, Reyes Villa had formed NFR, which expanded its territorial reach from Cochabamba to other municipalities, granting his party 8.7% of the national percentage of votes (TSE/PNUD).

---

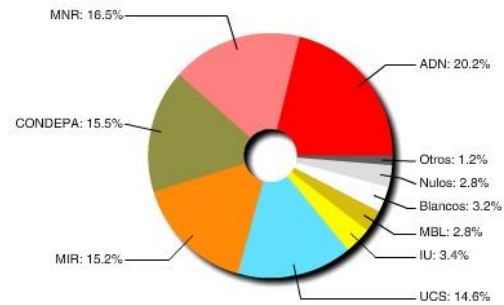
<sup>64</sup> Movimiento Sin Miedo.

**Figure 23 The Evolution of the Electoral Fragmentation of the Party System (1997-1999)**

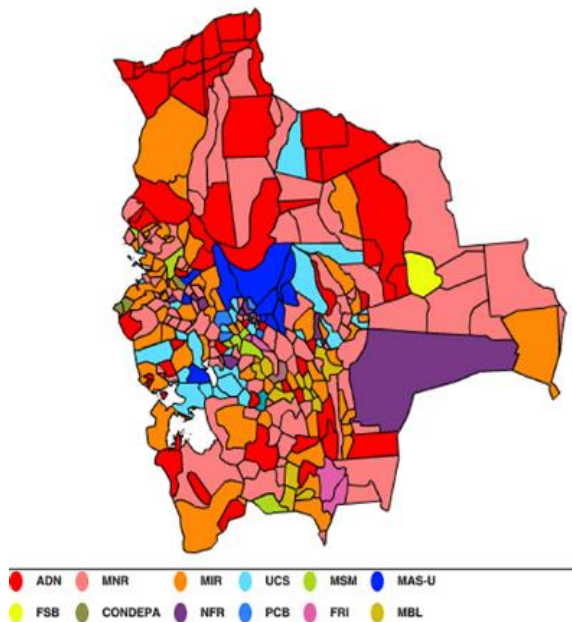
**National Elections 1997:  
Majority by Municipality**



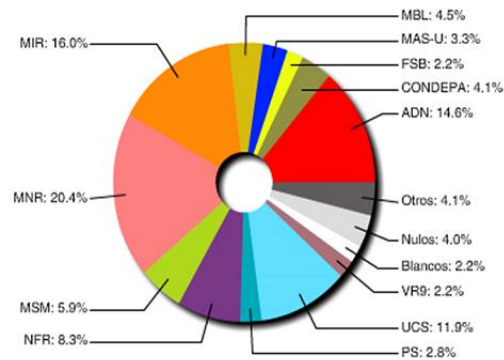
**National Aggregated Results:  
In Percentage**



**Municipal Elections 1999:  
First Majority by Municipality**



**National Aggregated Results:  
in Percentage**



Source: TSE/PNUD, 2013

Although the ASP suffered from internal divisions, the segment led by Evo Morales, created another organisation called IPSP. Using the same strategy as in 1995, IPSP approached a nearly defunct party called MAS, to create another political instrument. In the 1999 municipal elections, the MAS-IPSP “won 3.27% of the vote nationwide, which earned it 79 municipal council seats in six departments” (Van Cott, 2007:87). In sum, as shown in Figure 23, between 1997 and 1999 the party system faced increasing fragmentation, a process that we can relate to its progressive de-legitimation. The latter can be traced back to the rise of new actors, forces and parties emerging out of the reconfiguration of the structure of cleavages and their politicisation, facilitated by the the PPL and the creation of SMDs.

The interaction between decentralisation, the legitimacy crisis of the party system, and the emergence of new leaders and movements can be captured by analysing the political trajectory of one of the leaders of the MAS-IPSP. Jaime Cárdenas, a leader from Chuquisaca who was elected to the Departmental Legislative Assembly in 2010 told me in an interview:

“I have an active history inside the trade-union movement. I was first a Secretary overseeing different issues. I left the trade-union in in 1997 and ran for municipal councillor, but I left this later because this was for a party that was not representing the interests of the social organisations. In 2002, thus, I turned to this political project [MAS-IPSP], which was five years old, which allowed me to jump from the trade-union struggle to the political struggle” (Interview with Jaime Cárdenas, 2011).

The trajectory of Cárdenas’ career is not linear; it follows the social and institutional changes of the country. I analysed how, with the collapse of the COB, the class cleavage lost prominence, relative to ethnicity and regionalism. The PPL was an institutional landmark through which the latter cleavages gained salience, and new spaces for the legitimation of leaders and organisations emerged. Jaime Cárdenas identified this opportunity, acknowledging that

“The PPL was a blessed law ...after the PPL the mayors did not need to go all the way to La Paz to approve their projects. As a trade-union leader I saw that. Now we could participate in the debates to approve the budgets and development plans, etc” (Ibid).

Cárdenas also identified that the traditional parties were losing support to emerging social movements. Parties were not seen anymore as the only legitimate channels for political participation. Cárdenas expressed:

“Today it is legitimate to talk about politics inside the social organisations, before it was not allowed, they confused us by making us believe that trade-unions and social organisations could only participate in politics by voting, we could not elect or be elected...However, today, these organisations are the foundations of the political project [MAS-IPSP] and we can be part of it and progress from being local leaders, to provincial, departmental and national leaders of the organisations such as the CSUTCB” (Ibid).

When these social movements founded the MAS-IPSP, leaders such as Cárdenas rushed to become a member of the party.

A similar dynamic can be identified in the career path of leaders who would later constitute the civic-regional bloc demanding departmental autonomies. In 2011 I interviewed Bernardo Suárez, a member of the Departmental Legislative Assembly of Santa Cruz. He represented a political organisation called VERDES, formed in the eve of the clash between the central government led by the MAS-IPSP, and the pro-autonomist departments of the *half moon*, to be analysed in the following chapters. VERDES was formed expressly to promote the autonomic cause.

Suárez started his career as an activist promoting the creation of autonomous departmental governments.

“I started my career in my town, Camiri, in the department of Santa Cruz. I am a lawyer and I occupied positions in different areas of the civic [committee] life. Later, [under the PPL], I was part of the oversight committee and the OTBs” (Interview with Suárez, 2011).

The PPL had the objective of derailing the political projects of civic committees. However, as shown in the above interview, it seems that many civic committee leaders seized the spaces opened by the PPL, in this case OTBs and oversight committees, to push for departmental decentralisation. It is clear that they felt capable of pushing the boundaries of the PPL when the party system faced its legitimacy crisis. According to the PPL, the representatives of the departmental councils, a deliberative body under the decentralisation law of 1995, were not elected by popular vote but indirectly selected by the municipal

councillors of the municipalities constitutive of the provinces in each department. However, when *pacted democracy* was in crisis, Suárez

“...together with the municipal councillors of the province of Camiri, I took the initiative of promoting the election of departmental councillors by popular vote. We promoted an election in 2002 or 2003...I was part of the electoral committee formed by members of the lawyer’s association, which organised the election. This was still a selection and not an election, but we promoted it in order for its results to be considered by the municipal councils. Back then, we needed the municipal councils to validate this election, because the law established that they elected the departmental council. Only those councillors were elected by popular vote” (Ibid).

In other words, the demands for departmental governments that Sánchez de Lozada tried to derail through the PPL did not disappear after the reform. These demands were filtered through the PPL to transfer electoral legitimacy to the departments above the legality established under the PPL, the decentralisation law and the constitution of 1994. However, once *pacted democracy* suffered from a legitimacy crisis, the civic movement pushed to open the system towards elected departmental governments. Bernardo Suárez became one of these elected departmental councillors. Since this process was not regulated by law, he did not need the endorsement of a political party. Moreover, he mentioned to me:

“Obviously, I didn’t postulate on behalf of a political party, actually I was not a member of a political party at that moment. However, after three years as [an elected] departmental councillor I started to...promote the autonomic process and later I was elected as a member of the newly formed departmental assembly, this time representing a political organisation, [VERDES]” (Ibid).

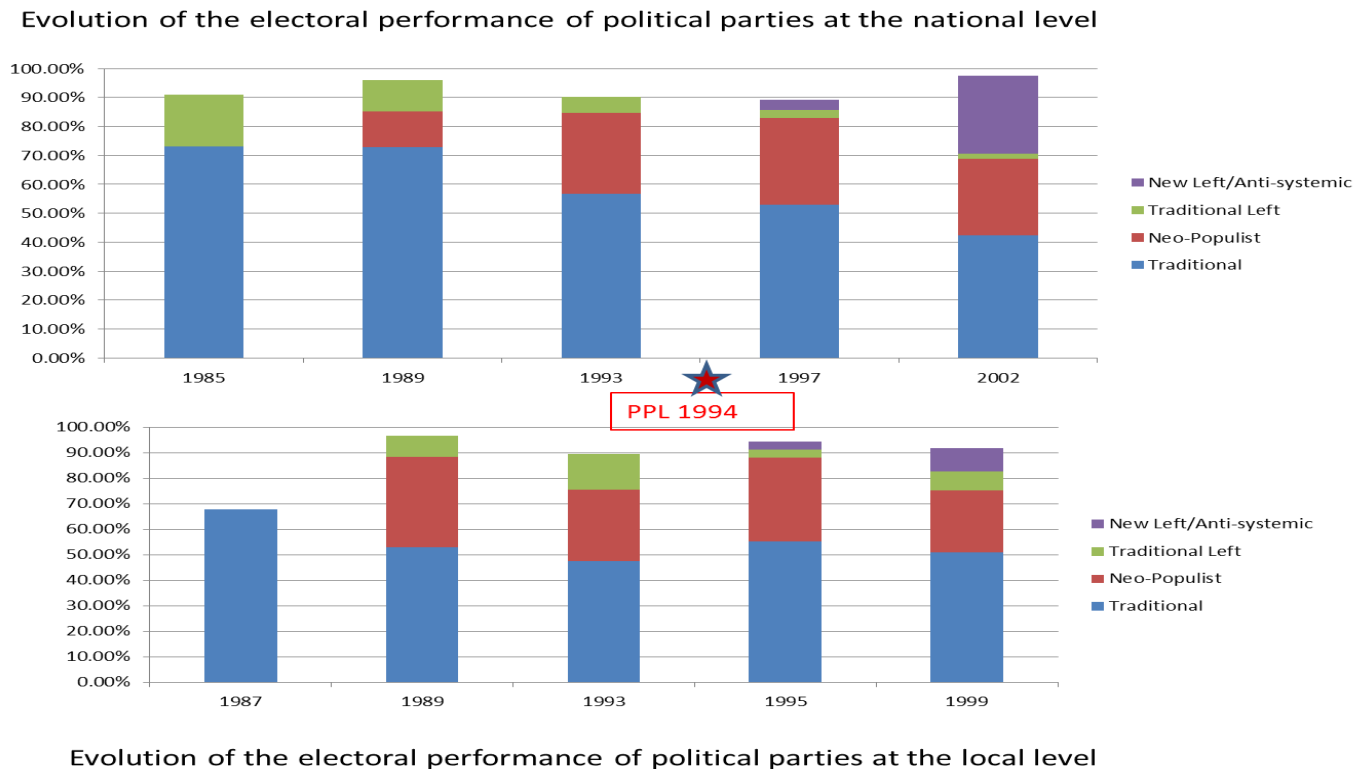
As in the case of Jaime Cárdenas from the MAS-IPSP, the career path of Suárez follows the social and political changes of the country. Suárez, as a member of the civic committees of Santa Cruz, paradoxically used the spaces opened by the PPL as a platform to push for the creation of autonomous departmental governments. When political parties suffered from the legitimacy crisis of the early 2000s, civic leaders seized the opportunity to use the legitimacy they obtained through the PPL, to promote the demand for the transition towards an autonomic state. As we will see later, leaders such as Cárdenas and Suárez would soon find themselves on opposite sides of a conflict between contradictory agendas for the re-legitimation of the state and political institutions.



In sum, while the traditional party system was losing electoral legitimacy, new actors were gaining it, most of the time by questioning the reforms adopted under neo-liberalism and the allegedly elitist and corrupt politics of *pacted democracy*. Furthermore, new civic, indigenous and peasant leaders installed themselves as local authorities under the PPL. In the municipal elections of 1995, for example, 500 indigenous and peasant leaders became councillors, many of which were later elected as mayors. By 2010, 65% of all municipal councillors or mayors identified themselves as indigenous (Ayo, 2010).

In the beginnings of *pacted democracy*, the main three parties of the system concentrated more than two thirds of the electoral support at both the national and the local levels. By the end of the 20<sup>th</sup> century, their share of the votes barely passed the 50% at both levels. It was from the local level, after the approval of the PPL, that anti-systemic parties and movements, penetrated the system. In a later stage, they used the local level as a platform to transform the system at the national level as we will see in the following chapters.

**Figure 24 The Divergence in the Electoral Performance of Political Parties at the Local and National Levels (1985-2002)**



Source: Own Elaboration, based on TSE/PNUD, 2013.

## 5.4 Conclusions

The collapse of the UDP and the COB signalled the collapse of RN. This led to the instauration of new patterns of legitimation through *pacted democracy*, in accordance with the re-activated constitution of 1967. The same critical juncture gave way to new actors upholding serious demands for the re-legitimation of the state. The peasantry progressively shifted, impacted by *glocal* dynamics, from a class-oriented towards an identitarian agenda calling for the advancement towards a plurinational state. A second re-legitimation discourse, raised by the civic committees in 1984, demanded the political decentralisation of the state towards the departmental level. These discourses of re-legitimation of the state and the nation emerged out of the impact of decades of social change on the structure of cleavages of the country analysed in Chapter 4. They gave way to a renewed salience of regionalism and ethnicity and a much more complex dynamic of the class divide. However, these discourses were not in tune with the ideological roots of the 1967 constitution which, inspired by RN, promoted the idea of a *mestizo* nation and a centralised state.

These actors, particularly the peasant organisations, displayed an impressive institutional adaptability and flexibility to accommodate to the changing conditions, explained by the combination of i) a highly complex organisational structure with layers and networks, that followed many of the country's demographic and socioeconomic changes; ii) a flexible political discourse based on the juxtaposition of class and ethnicity. They legitimised themselves inside and outside the country, while denouncing the limitations of RN as a nation-building project, and later the social cost of neo-liberalism. This flexibility enabled the peasantry to connect class and ethnicity, rural and urban politics, formal and informal economics and, finally, the global and local arenas.

By the late 1980s, the coalitions in government saw the limitations of the 1967 constitution in channelling these emerging demands. The lack of transparency and independence of the electoral tribunal damaged the legitimacy of the system, which was also unable to deliver economic policy conducive to tackling the social effects of neo-liberalism. In sum, there was a growing gap between the legality established in the 1967 constitution and the emerging sources for the re-legitimation of the state and political institutions.

This led to the emergence of neo-populist outsiders that were then absorbed by the system between 1993 and 1997. The 1991 and 1992 interparty agreements for the modernisation of the state, and the alliance between the MNR and the MRTKL around *Plan de Todos*, led to an ambitious reform. This reform was located between the demands for departmental decentralisation and a *plurinational* state. Thus, the 1994 constitutional reform partially bridged these demands for the re-legitimation of the state. Since the reform was carried out, for the first time, following the rules established in the constitution itself, legality and legitimacy seemed to be converging.

Through the PPL and the related establishment of SMDs to elect half of the lower chamber, the MNR tried to regain the historical support of the peasantry. The reforms, however, empowered the rural areas because the reformers failed to realise that the peasantry of the 1990s was more autonomous, it was transnationally empowered, and had another political project, the construction of a plurinational state. In other words, the ethnic cleavage was re-politicised as the result of the combination of social and politico-institutional change.

Thus, PPL and the SMDs re-politicised the ethnic cleavage by empowering new actors and discourses coming from hitherto excluded rural social movements. In important cities such as La Paz and Cochabamba, neo-populist leaders emerged using anti-corruption discourses and denouncing neo-liberalism, politicising the class cleavage. These leaders progressively seized control of the municipal governments. Many former civic committee leaders also used the local governments as platforms for their leadership, politicising the new regional divide. These actors, in sum, used these new local political arenas to question the legitimacy of the state and political institutions. By doing so, they would re-open the gap between legality and legitimacy.

## Part III

### The Gap between Legality and the Bolivian State Crisis (2000-2008)

#### Chapter Six

#### The Opening of the Gap between Legality and Legitimacy (2000-2005)

*“Soy hijo de minero... nací en la mina Colquiri. En las minas tome conciencia de la defensa de los recursos naturales...Yo soy militante del Partido Socialista 1 de Marcelo Quiroga Santa Cruz...El 2003 estábamos muy molestos por la exportación de gas a los Estados Unidos. En ciudad satélite estábamos varias familias mineras que habían recibido formación de cuadros...ellos salieron con armas de fuego y en El Alto solo teníamos nuestros pechos...sabíamos que íbamos a morir. Dijimos que si era necesario iríamos a la Guerra civil. Desde los medios de comunicación llamábamos a salir a las calles. Cuando salió el ejercito nosotros ya estábamos envalentonados.”*

Leader of the Neighborhood Association of Ciudad Satélite, El Alto, quoted by Boris Miranda, 2013:126.

*“No podemos hoy mirar Bolivia si no miramos a quienes durante siglos han sido excluidos y no los miramos en la lógica de darles respuesta a algo que no es otra cosa que una legítima presencia, una legítima demanda y un legítimo derecho de ser en verdad ciudadanos de primera en un país entre iguales. Y Bolivia todavía no es un país entre iguales.”*

Carlos Mesa, First address to the Congress as President of Bolivia, 2003

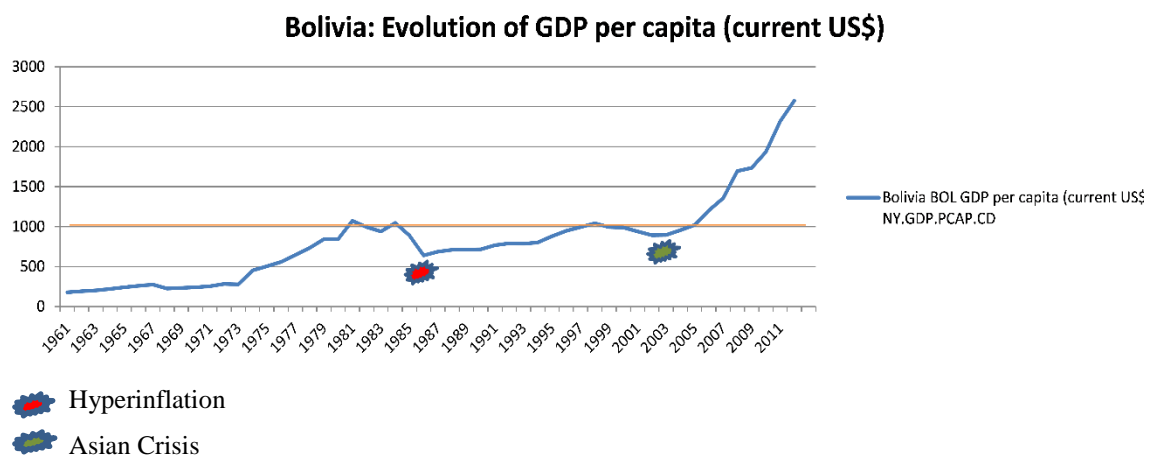
In the last two chapters, I traced the trajectories of the socioeconomic and political changes experienced by the Bolivian society during the last decades of the 20<sup>th</sup> century. These changes are tributary to the impacts of neo-liberalism and the adoption of *pacted democracy* on the legacies of the 1952 Revolution. Against this background, the present chapter will analyse, firstly, the development of a de-legitimation spiral which led to the collapse of the political party system in the early 2000s.

In a second part, the chapter will address how the de-legitimation spiral of *pacted democracy* led to a legitimacy crisis of the state. In a third part, the chapter will trace the opening of a gap between the legal framework in place and de-legitimising and re-legitimising agendas. The actors upholding these claims were products of the dislocating effects of social change in the class, ethnic and regional cleavages. These actors formed political coalitions which upheld contradictory proposals for the re-legitimation of the state and political institutions. Finally, the path of these agendas for the re-legitimation of the state and political institutions will be traced in relationship to the legal structure in place that moment, to explain the opening of a gap between legality and legitimacy.

## 6.1 The Spiral of De-legitimation of the Political System

The social and political changes analysed in Chapters 4 and 5 were suddenly impacted by an external economic shock during the late 1990s. As we can see in Figure 25, after experiencing a sustained increase on its GDP per capita, which surpassed the 1000 USD by the end of the 1970s, the country experienced hyperinflation in the early 1980s. It took almost fifteen years of neo-liberal reforms for the economy to surpass the 1000 USD per capita threshold again, just before the economy experienced another crisis by the end of the 20<sup>th</sup> century.

**Figure 25 The External Shock of the Asian Financial Crisis**



Source: Own elaboration based on the World Development Indicators Database

### 6.1.1 The Crisis of Legitimacy of Representative Institutions (Parties and Congress)

The economic crisis of the late 1990s was the trigger that unravelled deeper problems regarding the legitimacy of the state and political institutions. In Chapter 4 it could be seen how inequality rose and the informal sector widened during the 1990s. Different neo-liberal governments, particularly that of Sánchez de Lozada, promised to bring economic growth back through foreign direct investment, but the *Asian Crisis* halted any poverty reduction<sup>65</sup> and unemployment peaked. Hence, the political party system in charge of the implementation of neo-liberalism faced a performance legitimacy<sup>66</sup> crisis, which later triggered a spiral of delegitimation. As I analysed in Chapter 2, throughout Latin America, parties and parliaments lost popular support in this period, and Bolivia experienced one of the lowest levels of trust in these institutions.

The decline of citizens' trust in representative institutions registered between 1998 and 2008, based on the data gathered by Mitchell A. Seligson, was associated to the evolution of the GDP per capita, as shown in Table 10. Year 2000 was an inflexion point in terms of the maximum decline in the levels of trust in congress and political parties in Bolivia, which matched a sudden decline in GDP per capita, below the 1000 USD level. Furthermore, according to the LAPOP polls (Seligson et al. 2012), by 1998, 63% of the Bolivians believed that corruption was a generalised practice amongst public servants. From then onwards, that perception increased steadily. Hence, triggered by an economic crisis, the performance legitimacy of the coalitions that implemented neo-liberalism declined sharply by the end of the 1990s.

---

<sup>65</sup> See Chapter Four.

<sup>66</sup> See Chapter 1 where I discuss the structure of legitimacy following figure 1.

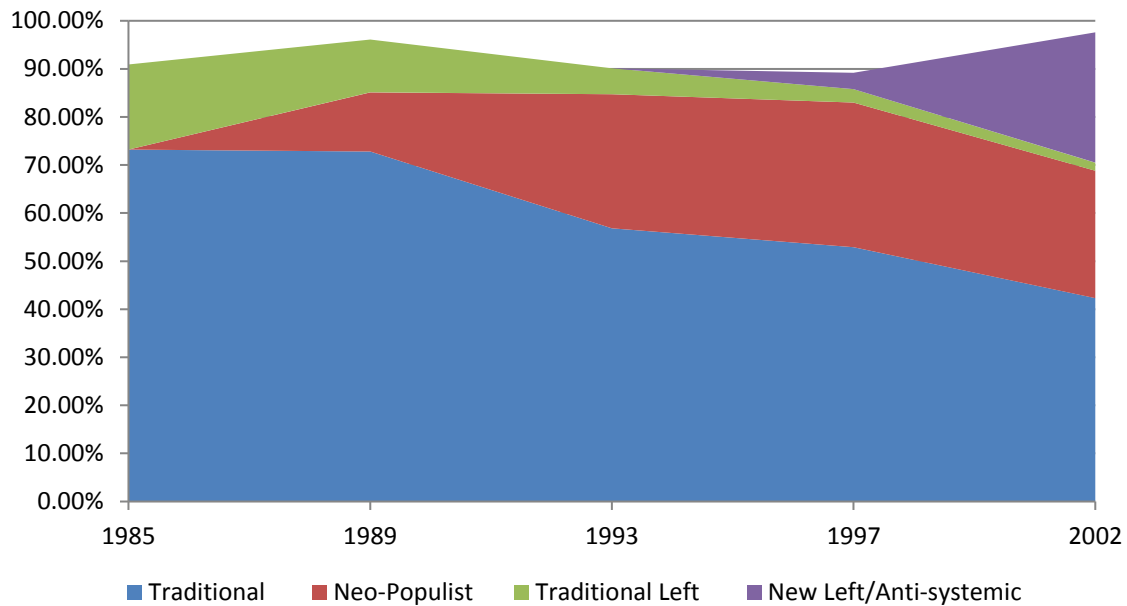
**Table 10 The Evolution of Public Trust in Representative Institutions vs. the Evolution of per capita GDP (1998-2008)**

<b>Year</b>	<b>Trust in Political Parties (in %)</b>	<b>Trust in Congress (in %)</b>	<b>GDP per capita (in current dollars)</b>
1998	28.2 %	37.4%	1042.61
<b>2000</b>	<b>23.1 %</b>	<b>33.7%</b>	<b>988.53</b>
2002	28.4 %	38%	893.94
2004	23.4 %	37.5%	954.92
2006	31.1 %	45.3%	1203.25
2008	28.7 %	47.2%	1695.55

Source: LAPOP, Seligson et al. 2012; World Development Indicators database

The legitimacy crisis of political parties reflected on their electoral performance, measured by the levels electoral volatility and ideological polarisation experienced by the congress during *pacted democracy*. As shown in Figure 26 , the pivotal components of the party system experienced decreasing electoral support; while neo-populist figures gained an increasing share of it throughout the 1990s. These dynamics show a growing discontent in many sectors of society, particularly in the informal sector, with neo-liberal policies. Nevertheless, until 2002, the system efficiently coped with these challengers, by absorbing them in the coalitions, avoiding the raise of a serious anti-systemic alternative.

**Figure 26 Share of the Popular Vote at the National Level by Party Category (1985-2002)**



Source, own elaboration based on data from the TSE/PNUD, 2013

I use the term traditional left to refer to parties that were born with a classic socialist project before *the fall of the Berlin wall* in 1989, particularly i) *Izquierda Unida* (IU, United Left), until its alliance with the peasant organisation ASP, in 1995; ii) the splinter of the MIR, *Movimiento Bolivia Libre* (MBL), until 1993, when it formed a coalition with the MNR and gravitated towards the *traditional parties* camp. I use the term anti-systemic or new left to refer to parties that were born or revitalised by the beginning of the new Millennium, using discursive platforms clearly opposed to *traditional parties* and neo-liberalism, such as i) the ASP in alliance with the IU, ii) later transformed in the alliance of the languishing MAS and IPSP<sup>67</sup>; iii) the Aymara nationalist MIP<sup>68</sup> and iv) the urban anti-corruption party called *Movimiento sin Miedo* (MSM, *Movement Without Fear*), founded by a former member of the MIR and the MBL, Juan del Granado.

In 1999, Del Granado broke with the MBL and, together with young students and intellectuals, founded the MSM, which aimed at constituting:

<sup>67</sup> Instrumento Politico por la Soberania de los Pueblos.

<sup>68</sup> Movimiento Indígena Pachakuti led by the indianista Felipe Quispe *El Mallku*.



“...a renewed option for the left against the partidocracy of the right, the generalised levels of corruption and the neo-liberal model imposed since the approval of the 21060 decree. [Their motto was] **we are pissed off<sup>69</sup> with particocracy, neo-liberalism and corruption. Without fear this can change**” (Interview with Juan Del Granado, 2013, original emphasis).

Thus, the MSM was expressly created as an anti-systemic option to *pacted democracy*, which Del Granado labelled *partidocracy*. Del Granado won, surprisingly, the elections for Mayor of La Paz in 1999 and 2004.

Hence, measured by their electoral performance, the so-called *traditional party system* faced a sustained process of de-legitimation between 1985 and 1997. Triggered by the impact of the *Asian financial crisis*, the system could not resist to its challengers anymore. A legitimacy crisis of the institutions mediating between the state and society, finally led to its complete collapse by 2005. Looking at the sub-national level, the legitimacy crisis of *traditional parties* impacted the western highlands and the eastern lowlands unevenly. This was because the sudden economic crisis had different impacts in both regions.

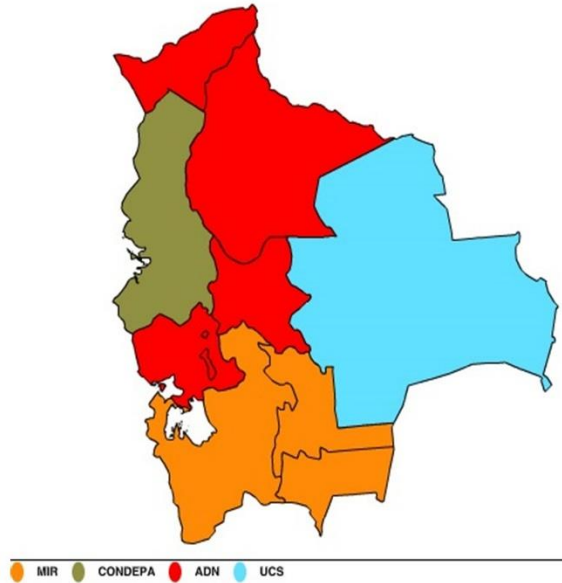
In the elections of 2002, as shown in Figures 27 and 28, the traditional parties lost the preferences of the electorate in the highlands while still dominating in the eastern lowlands and the southern department of Tarija. In other words, the political system had more room for manoeuvre in the eastern lowlands, which benefitted more from neo-liberalism. This disjuncture would be important for the explanation of the further development of the crisis. In the national elections of 1997, there was still a territorially balanced electoral support for traditional parties. Nevertheless, in the most important departments of the country, La Paz and Santa Cruz, neo-populist CONDEPA and UCS won, respectively.

---

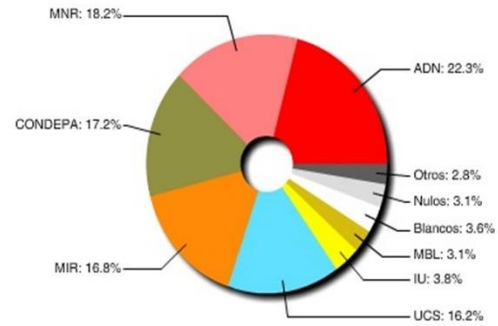
<sup>69</sup> This is the closest translation that I found for the word *Cabreado*, which was the original word used by Del Granado in the Interview and throughout his 1999 campaign.

**Figure 27 The Collapse of Traditional Parties in the Bolivian Eastern Highlands (Departments, 1997-2002)**

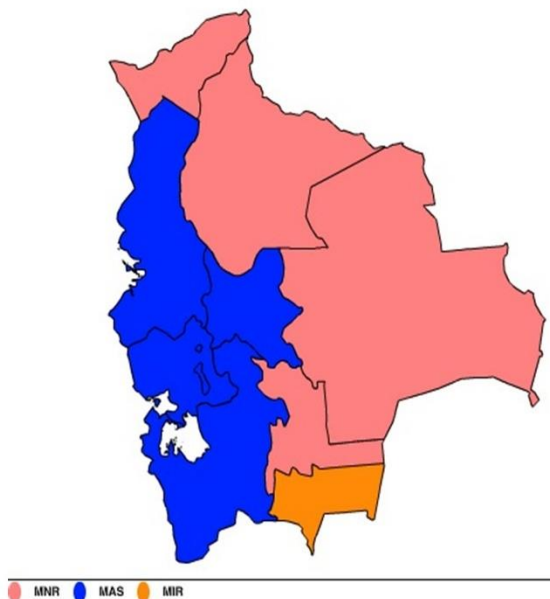
**National Elections 1997:  
First Majority by Department**



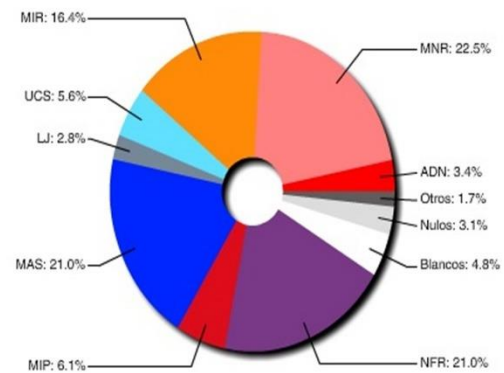
**National Aggregated Results:  
In Percentage**



**National Elections 2002:  
First Majority by Department**



**National Aggregated Results:  
In Percentage**



Source: Own elaboration based on data from TSE/PNUD 2013

As was already noted, UCS was absorbed by the the MNR and the MBL in 1993. In 1997 it was the turn of CONDEPA, which formed a coalition with the ADN and the MIR. At the municipal level, the main five parties captured relatively balanced distribution of the votes, but the alliance between de IU and the ASP in rural Cochabamba, which gave the coca growers' movement the opportunity to install four MPs in parliament, one of which was Evo Morales. The emergence of NFR in Cochabamba and the MSM in La Paz were also an alert call for the *traditional parties*.

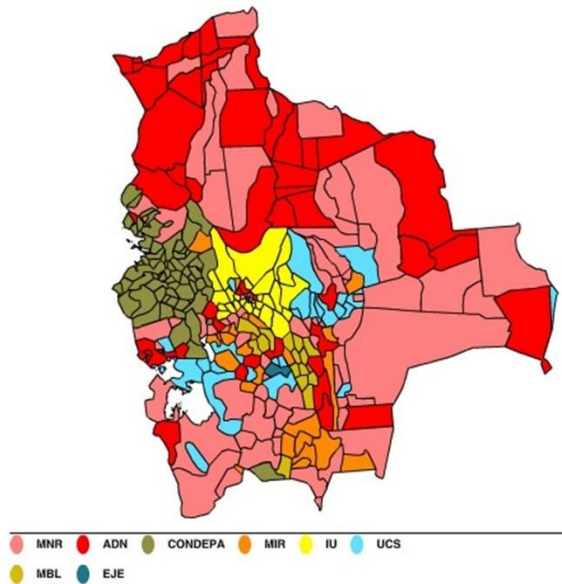
However, by 2002 things changed. The national election of that year marked the disappearance of the ADN and CONDEPA, and the emergence of a polarised political spectrum. One extreme was led by the MAS-IPSP and strengthened by the surprising performance of the *katarista* and Aymara nationalist MIP, of the former Guerrilla leader Felipe Quispe *El Mallku*<sup>70</sup>. MIP obtained important victories in the Aymara regions surrounding Titicaca Lake. These two parties captured one-third of congress and formed an anti-systemic alliance. The strongholds of their support were the western highlands; particularly the rural areas and the outskirts of the urban centres which were recipients of migration waves during the last decades. By 2004, popular trust in political parties was at 23,4% at a national level, while the average for the eastern lowlands was 33,6% (Seligson et. al. 2012).

---

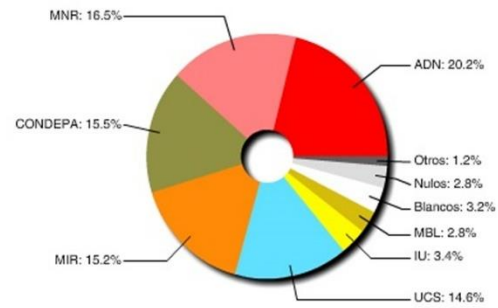
<sup>70</sup> In the early 1990s, Quispe and other radical Aymara nationalist and urban neo-marxists such as Alvaro García Linera founded a Guerrilla movement called Ejército Guerrillero Tupaj Katari or EGTK.

**Figure 28: The Collapse of Traditional Parties in the Bolivian Eastern Highlands (Municipalities, 1997-2002)**

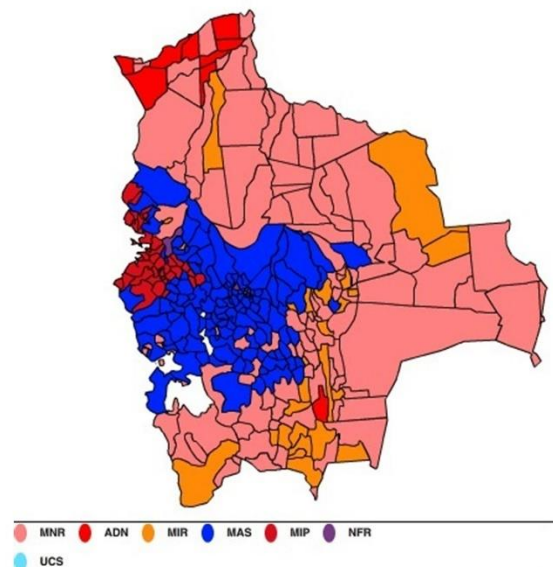
**National Elections 1997:  
First Majority by Municipality**



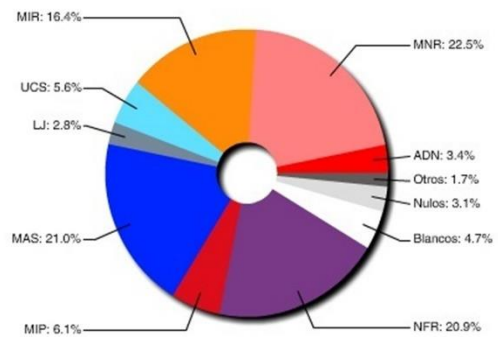
**National Aggregated Results:  
In Percentage**



**National Elections 2002:  
First Majority by Municipality**



**National Aggregated Results:  
In Percentage**



Source: Own elaboration based on data from TSE/PNUD 2013

The emergence of Manfred Reyes Villa and Evo Morales as the second and third political forces of the country, as well as the surprising performance of the MIP, increased electoral volatility of up to 53.49% between 1997 and 2002, and then to 69.75% between 2002 and 2005. Ideological polarisation was also on the rise since 2002. Ideological polarisation refers to the ideological distance between political parties along the lines of the major cleavages dividing a country (Dalton, 2008). Electoral volatility reflects the fact that a high percentage of the population consider that the political parties that used to represent their interests, no longer serve such purpose. The existence of high levels of ideological polarisation, in turn, speaks of a society that struggles to solve its main cleavages. The capability of resolving such cleavages, in turn, is an indicator of the legitimacy of the regime institutions and the state, as was mentioned in Chapter 1, following Lipset's definition of legitimacy. In sum, the rise of ideological polarisation and electoral volatility are strong indicators of the legitimacy crisis of the political system installed in Bolivia in 1985.

The rise in levels of electoral volatility can be explained by the emergence of new anti-systemic forces pushing for political change. The anti-systemic character of the MAS-IPSP and the MIP, can be detected in the fact that they upheld a radical agenda for the re-foundation of the state.

**Table 11 The Evolution of Electoral Volatility and Ideological Polarisation (1993-2010)**

Period	1993-1997	1997-2002	2002-2005	2005-2010
Electoral Volatility	27.79%	52.49%	<b>69.75%</b>	40.61%
Ideological Polarisation in Congress	1.59	0.78	<b>2.19</b>	3.91

Source: Own elaboration based on Romero Ballivian, 2012.

Moreover, the leaders of MAS and MIP, Evo Morales and Felipe Quispe; never ceased to be the official heads of important movements within the peasantry and indigenous sectors. Despite being represented in parliament, they never abandoned the politics of mobilisation through marches, road blockades and other tactics aimed at de-legitimizing the state. In reality, the driving force behind the MAS-IPSP and the MIP were their social basis – rural

trade-unions and urban social movements – which used these parties as *instruments*<sup>71</sup> to promote political change within the formal institutions, without abandoning the informal ones.

In a parallel way, traditional parties lost organised support. There were no rallies before or after campaign periods in support of these parties, or as a counterweight to the mobilisation of indigenous and popular sectors. According to Erika Brockmann, one of the most important figures of the MIR, her party and the other *traditional parties* were quickly “absorbed by the state [bureaucracy and] did not develop their own institutions” (Interview with Erika Brockmann, 2013). While a set of social movements started to coalesce behind the new anti-systemic parties, the establishment lost its social roots and, later on, its electoral support. In sum, judged from the state of the public opinion and the *traditional parties*’ electoral performance *vis-à-vis* the emergence of serious anti-systemic alternatives, it can be affirmed that the party system installed in 1985 suffered a crisis of legitimacy at the beginning of the present century.

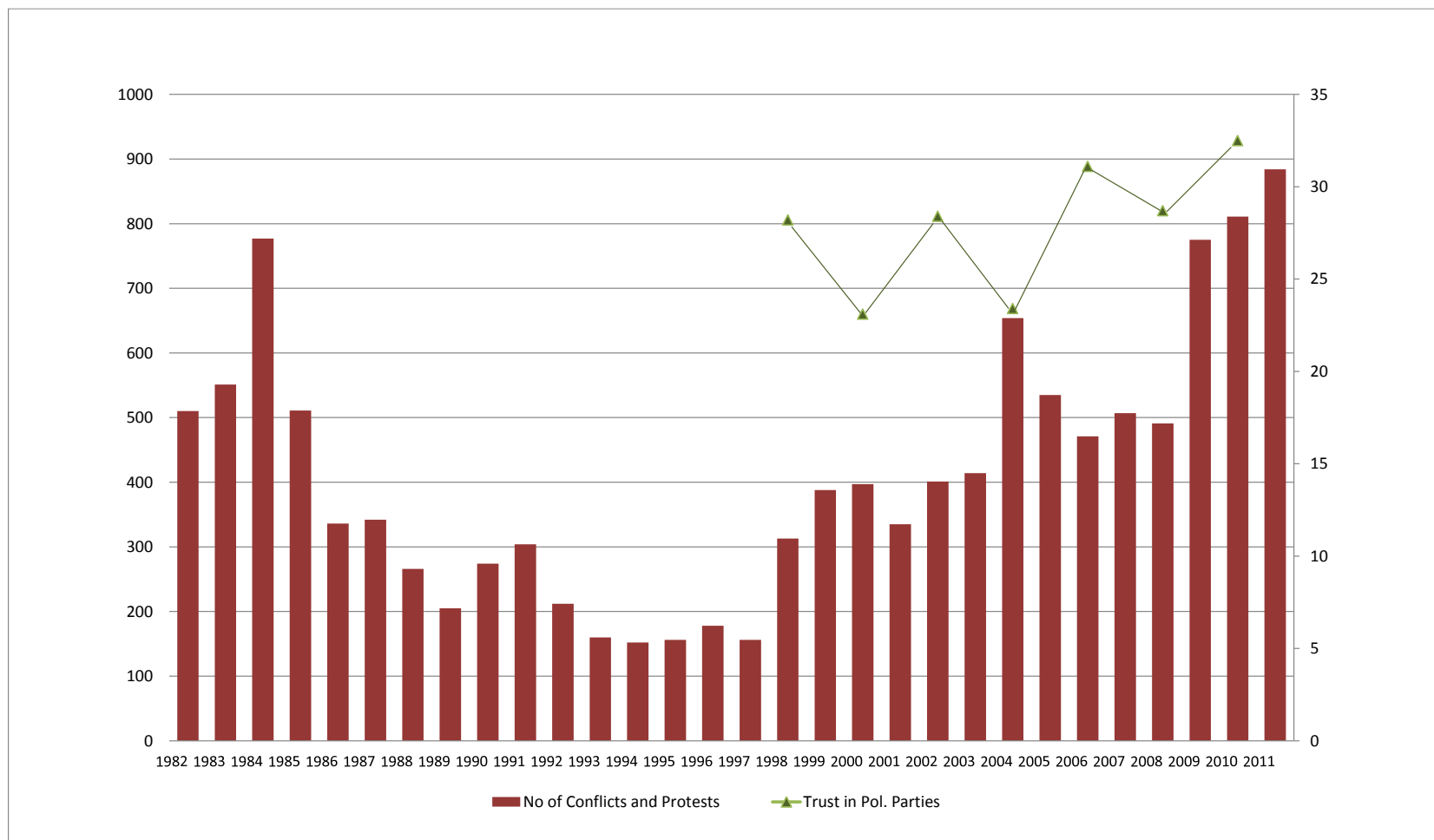
### **6.1.2 Decreasing Legitimacy, Increasing Social Protests and Conflicts**

While there has been a global decrease in trust in representative institutions (Norris, 1999), that does not necessarily mark a crisis of legitimacy of these institutions as such. Citizens can feel unrepresented by contemporary political parties but they may still believe that there is no democracy without political parties. However, as could be seen above, the Bolivian political party system indeed suffered from a crisis of legitimacy and not just of representation (Mainwaring et al. 2006). This was the case because while withdrawing support for these parties, increasing sectors of society started to actively mobilise, advocating the adoption of completely new political institutions. Figure 29 shows how, while society lost trust in political parties, social protest and conflicts increased in an inverse dynamic before the approval of a new constitution.

---

<sup>71</sup> The idea of Political Instrument is actually formalised in the case of the MAS-IPSP, given that the IPSP accounts for the name *Instrumento Politico por la Soberanía de los Pueblos* or *Political Instrument for the People’s Sovereignty*.

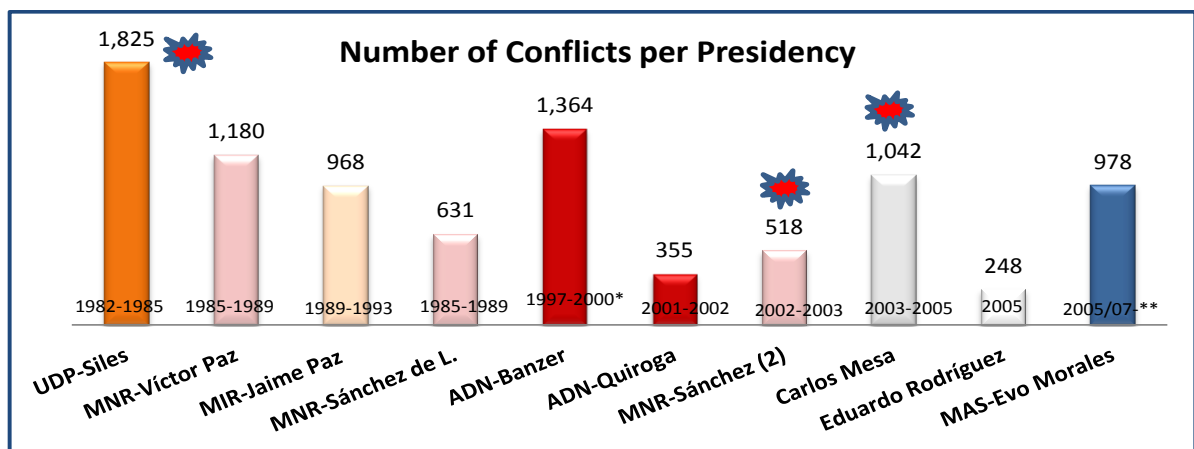
**Figure 29 Social Protests and Conflicts vs. Trust in Political Parties (1982-2011)**



Source: Own elaboration based on Seligson et al. 2012 and Laserna/Villarroel, 2008, quoting the CERES database

As shown in Figure 30, President Siles Suazo faced 1,825 social conflicts and protests during the three years of his presidency, before resigning his mandate in 1985, one year before it was constitutionally prescribed. Sánchez de Lozada was supposed to hold his second period as President between 2002 and 2007, but popular mobilisation forced him to resign, as well as his successor, Carlos Mesa. Adding up the social conflicts faced by the presidents that served between 2002 and 2005, one finds that they experienced almost the same number of social conflicts (1,808) as Siles Suazo.


**Figure 30 Conflicts, Protests and Presidential Resignations (1982-2007)**



Source: Own elaboration based on Laserna and Villaroel, 2008

\*President Banzer resigned one year before the end of his mandate because he was ill

\*\* The data used for the Evo Morales' administration covers just his first two years of tenure

 Presidential resignation forced by popular unrest and mobilisation

In sum, two parallel dynamics were playing out at the beginning of the present millennium. First, political parties in charge of channelling representation and delivering policies began to lose legitimacy in a sustained way. Second, broader segments of the population joined social movements which manifested their discontent, either by protesting in the streets or by creating anti-systemic parties/*instruments* with clear anti-neoliberal agendas.

### 6.1.3 The Collapse of Coalition Governance

The pre-and post-electoral periods of 2002 show how the so-called *traditional parties* lost their ability to adapt to a new context. Perceiving its lack of support in the western highlands, the MNR's final campaign rally took place in the city of Santa Cruz, which Sánchez de Lozada referred to as the new engine of the Bolivian economy and *the Future*



*California of Bolivia* (Domingo and Grindle et al. 2003). However, the relationships between the elites of Santa Cruz and Sánchez de Lozada had been rather tense during the 1990s. After all, his administration was the one that derailed their demand to create elected departmental governments, after the Civic Committee of Santa Cruz had successfully lobbied the senate in 1993. As mentioned before, the constitutional reform of 1994 advanced towards municipal decentralisation through the PPL, instead of departmental decentralisation.

The MNR was not the only party that detected these changes on the basis of electoral support. The MIR, from 1985 onwards, competed rather successfully with the MNR for the rural vote in the southern departments and in the central valleys of the country; however, according to Brockman:

“When we campaigned [in the rural areas of Cochabamba], in 2002, I could feel it in the air, we were no longer an option...this didn’t happen in 1997 when you could feel that everybody was with us. Furthermore, [even] the coca-growers voted for the MIR [then]... we made an agreement with them, they voted for Jaime [Paz Zamora for President], and we didn’t present competitive candidates for the uninominal [districts of the Chapare]” (Interview with Erika Brockmann, 2013).

Even though it was expected that the MAS would increase its share of votes in 2002, the percentage it actually obtained took the MNR and the MIR by surprise. Both parties were pillars of *pacted democracy*, but the rivalry between them was particularly bitter. According to Lazarte (2006), top politicians of the MIR were prosecuted for having links with narco-trafficking cartels<sup>72</sup> and, along these lines, Paz Zamora was later denied his entrance to the U.S.A. In the perception of many leaders of the MIR, Sánchez de Lozada had influenced this outcome by lobbying the American embassy (Interviews with former leaders of the MIR, provided by FES-ILDIS).

The MNR and the MIR never formed a coalition throughout the whole period of *pacted democracy*; nevertheless, in 2002, the only viable alliance between the traditional parties seemed to be one between them. The MAS-IPSP and the MIP would not support any neo-liberal candidate. These two parties, by abstaining from participating in an alliance with

---

<sup>72</sup> In Particular, the second in charge, Oscar Eid. Oscar Eid confirms this idea in an interview that he gave to the research team of FES-ILDIS.

the traditional parties, stated their rejection of *pacted democracy* which was, in their view, the origin of neo-liberalism and corruption.

This was the first time since the instauration of *pacted democracy* that the political struggle was not about who should not be part of the coalition, but about how to form a new one that was sufficiently legitimate.

Under these circumstances, the MIR held a national summit in July 2002. It was one of the fewest in which all major bodies were represented. The decision was almost unanimous in favour of avoiding a coalition with the MNR. Nevertheless, after being subject to pressure from the public opinion and the international community, which foresaw a potential power vacuum in the horizon, the leadership of the MIR, bypassing the decision of its members and MPs, decided to form a coalition government with the MNR.

The coalition, labeled *Plan Bolivia* or Bolivia Plan, struggled to agree on a joint policy plan, which was indicative of their internal tensions (Lazarte, 2006). Sánchez de Lozada was elected President for a second time with the support of 84 votes out of the 157 members of congress; whereas Evo Morales obtained 43 votes and the NFR abstained (Ibid). Under increasing pressure from the U.S. Embassy, the NFR joined the coalition one year later, to secure a two-thirds majority in congress and to strengthen the legitimacy of the new government (Miranda, 2013).

However, unlike the episodes between 1982 and 1985, the source of political instability was not the impossibility of the president to form a majority in congress, but the increasing gulf between political parties and society. In other words, the lack of political order was not anymore caused by the lack of horizontal legitimacy at the level of the political elites, but by an increasing deficit in terms of vertical legitimacy in the relationship between political parties and a changing society.

In this scenario, the process of forming a parliamentary coalition was becoming part of the problem and not of the solution. The government wanted to increase its power by bringing the NFR into the coalition. The NFR, allegedly anti-systemic, was attacked by the MNR during the campaign, in part for being in favour of calling for a CA<sup>73</sup>. However, the NFR

---

<sup>73</sup> Something that Sánchez de Lozada was not willing to negotiate under any circumstance.

was invited to be part of it in exchange of two cabinet posts. The MIR, after a year in power, was still negotiating the allocation of its members in different cabinet positions (Miranda, 2013). This dynamic paralysed the delivery of a coherent policy to tackle the economic crisis.

Under pressure from the IMF, the new government was supposed to reduce expenditures and therefore the public deficit; however, a large coalition demanded an enlargement of the bureaucracy *to be compensated for the sacrifice made by the MIR and the NFR in entering a weak and incoherent government*. This led to the lack of “more than two months after this reorganisation, just 9 out of 42 vice ministers were appointed” (Ibid: 21).

Thus, by 2003 Bolivia was experiencing a paradoxical situation. The neo-liberal economic model was facing an acute crisis; therefore, the related system of governance, *pacted democracy*, was experiencing a legitimacy crisis. Although *pacted democracy* did bring an unusual and extended period of democratic governance for Bolivian standards, after the *Asian Crisis* of the late 1990s, *pacted democracy* was tested, as during hyperinflation, as a political formula able to address economic shocks through political accommodation.

The traditional parties and the international community assumed that since a strong parliamentary coalition tackled hyperinflation in the 1980s, a bigger parliamentary coalition would overcome this crisis. However, the parties’ struggle for quotas in public offices did nothing but to reinforce the public perception of *pacted democracy* as fertile soil for corruption and clientelism. Moreover, this process paralysed government, which was supposed to act quickly to tackle the crisis. Hence, the formation of the coalition accelerated the economic and political crises, because it created a self-reinforcing cycle by which people associated the economic crisis with the failure of neo-liberalism, the latter with *pacted democracy* and *pacted democracy* with corruption, which in turn was blamed for the lack of state response to the economic crisis. Thus, the gap that progressively grew between society and political parties at the end of the 1990s, turned into a wide gulf fed by a downward spiral of de-legitimation between 2002 and 2003.

In sum, the patterns of the public opinion, the electoral behaviour of the citizenry, and the political performance of the political actors analysed in the present section, provide sufficient evidence to affirm that the political party system that dominated Bolivian politics

since 1985, faced a crisis of legitimacy by the beginning of the 2000s. The increasing number of social conflicts and protests, and the growing support for anti-systemic and anti-neoliberal parties, corroborates the hypothesis of the legitimacy crisis of *pacted democracy*. This crisis was more acute in the western highlands than in the eastern lowlands and the south of the country.

## **6.2 The Legitimacy Crisis of the State**

In the last section, I traced the broad pattern by which decreasing levels of social trust and electoral support for political parties and congress were associated with a historical increase in the number of social conflicts. However, a quantitative increase in social conflicts cannot shed enough light on their deeper causes. Therefore, it is important to analyse some of the most important social conflicts registered in Bolivia since 2000, in depth.

### **6.2.1 From Quantity to Quality in Social Protests and Conflicts: Social Wars and the Rise of the *October* and *January Agendas***

#### **The Water War and the demand for a Constituent Assembly**

In 2000, there was a convergence of a hitherto fragmented structure of social movements in what has been called the *Water War*, taking place in the city of Cochabamba. In September 1999, the Bolivian government signed a contract with a transnational water supplier, *Bechtel*, to build a dam in the outskirts of the city, aimed at tackling its historic scarcity of running water. A couple of months before, the WB *issued a recommendation* to the Bolivian government, urging it to “refrain from subsidising the [imminent] increase in the prices of running water and to privatise its supply” (Miranda, 2013:23; interview with Erika Brockman). Following these recommendations, the prices of water increased in Cochabamba.

As a response to the above, small rural and urban suppliers of water, peasants and factory trade-unionist coalesced to found the *Coordinadora del Agua y de la Vida* (Ibid), the coordinator for life and water, in 1999. The mobilisation soon reached 100,000 people. By April 4<sup>th</sup> 2000, the city was paralysed by roadblocks and the offices of the consortium between *Bechtel* and the government were occupied. President Banzer called for a state of emergency but the decision did not make any difference. Furthermore, some lower ranks

of the police mutinied demanding for an increase of their wages in La Paz. Banzer then retreated, suspending the call for a state of emergency and undoing the contract with *Bechtel*, which finally left the country (Rodriguez Ostria, 2011). Later on, the coalition of urban and rural organisations joined in a massive demonstration or *cabildo* in the main square of Cochabamba. The demand for a CA to re-found Bolivia emerged as one of the conclusions (Miranda, 2013).

Throughout the 1990s, consecutive governments were successful in deactivating mobilisations by applying states of emergency. The fact that a state of emergency did not work for the first time in the history of *pacted democracy* is very telling of its decreasing legitimacy. Politics in the streets re-gained momentum in the form of marches, protests and *cabildos*, and therefore legitimacy as informal institutions. Furthermore, the formation of the *Coordinadora* speaks of the re-emergence of the class cleavage after almost twenty years.

Parallel to the legitimacy crisis of *pacted democracy*, social movements and organisations brought together a hitherto amorphous set of sectorial demands behind the call for a CA. The latter, in turn, is very telling of the advent of a legitimacy crisis of the state itself. Some sources claim that the call for a CA was already raised by the indigenous peoples from the lowlands of Bolivia in 1990<sup>74</sup> (FES-ILDIS, 2005). However, only in 2002 the CA established itself as an overarching demand upheld by most social organisations and movements.

In 2002, different indigenous organisations from the lowlands marched to La Paz. They demanded the incorporation of the CA in the LNCR (see Section 5.2). The lower chamber of congress had already approved the LNCR project in which the CA was not mentioned. Hence, this march aimed at reversing that situation and soon started to attract support of other organisations throughout the highlands. In La Paz, the COB hosted two groups of hunger strikers demanding a modification of the LNCR. Days before, the more ethnically

---

<sup>74</sup> See Chapters 4 and 5

oriented CONAMAQ<sup>75</sup> issued a Communiqué expressing full support for to the march of the lowland's bloc and called for “a new constitution” (Rodriguez Ostria, 2011).

While the march gathered momentum throughout the country, the MNR and the UCS, in parliament, blocked any possibility to insert the CA in the LNCR. As a response, the demand for the CA gathered even more support. By May 2002, the march was reinforced by the coca-growers and 74 indigenous and peasant organisations. There were eleven urban groups in hunger strike in La Paz (Ibid).

Losing ground, the government hence decided to send a high-level delegation of negotiators to talk to the leaders of the march. By June the marches led by CONAMAQ and the lowlands' indigenous groups reached El Alto, where a massive gathering took place supporting the marchers' “[demand] to ensure that congress hold a meeting in the next two weeks, to modify Article 230 of the Constitution, which is blocking the inclusion of the CA” (Ibid: 118, quoting the leader of the lowland indigenous bloc, *Bienvenido Zacu*). The high levels of popular pressure forced government to sign an agreement by which:

*“The Government...commits itself to...produce the modifications to Article 230 and others; [the Government] will also call for an extraordinary meeting of the Congress during the first week of July, which will work until the LFNCR is approved” (Ibid:118-119, quoting Romero, 2009).*

Nevertheless, the MNR and the UCS, which held the key to form a two-thirds majority in parliament, blocked the incorporation of the CA in the LNCR.

### **The Coca War**

In the framework of the U.S. led *War on Drugs*, the Banzer administration, between 1997 and 2002, aimed at the eradication of all coca plantations in the Chapare. It was a new onslaught from the Banzer administration in the contentious relationship between *pacted democracy* and the coca growers' movement. According to Miranda (2013) and Albro (2005), between 1987 and 2002, 57 coca growers died in clashes against the special forces<sup>76</sup> in charge of eradication, and another 500 were injured (2013:26).

---

<sup>75</sup> Consejo Nacional de Markas y Ayllus del Kollasuyo; for a further description of the organisation see Chapters Four and Five.

<sup>76</sup> UMOPAR or Unidad Movil Policial para Areas Rurales (Mobile Police Unit for the Rural Areas), supported by the DEA.

From 1994 onwards, the coca growers' movement created national and transnational networks with NGO's, politicians<sup>77</sup> and civil society organisations. Through popular mobilisation, the movement started to legitimise its discourse of anti-imperialism, anti-neoliberalism and the *protection of the Bolivian natural resources, particularly coca*, amongst the general public. This strategy was later complemented by their inclusion into electoral politics as a *political instrument*, the MAS-IPSP. The PPL and the creation of SMDs facilitated the use of this dual strategy.

However, the coca growers' movement of the Chapare also used violent tactics. The application of the *Zero Coca Plan* escalated violence between the government and the movement to unprecedented levels. In January 2003, four members of the Bolivian security forces were killed and allegedly tortured. Government feared an armed insurgency (Miranda, 2013). Consequently, the majority in congress used its internal disciplinary procedures to expel the then MP, Evo Morales.

Before leaving his seat, Morales stated that his dismissal would not strangle social movements. On the contrary, it would trigger "a massive uprising of the Bolivian peoples excluded from the *official state*" (Ibid:27). Morales added that "he would come back to parliament but this time not accompanied by four but by 30, 40 or even 50! MPs" (Cambio magazine, 2010, interview with Evo Morales). He was right.

Hence, when Sánchez de Lozada started his new term in office, the first conflict to address was the conflict in the Chapare. "The government wanted to anticipate the conflict proposing to the coca growers' leader a dialogue [to] elaborate a new *Coca Policy* (Lazarte, 2006:424). After the negotiations were advancing in a favourable way, the dialogue was suddenly halted since the coca growers wanted a momentary stop in the process of eradication. The government rejected the demand because it was vetoed by the U.S. The U.S. government warned that "the continuous eradication of the coca crops was a pre-condition for the Bolivian government [and its weakened economy] to access the American market of textiles [under the ATPDA scheme] (Ibid:424).

---

<sup>77</sup> Such as the leaders of the IU or Juan del Granado as we saw before

Consequently, the dynamic of road-blockades and repression resumed. After two weeks, five deaths and dozens of injured, the *coca war* acquired nation-wide connotations. The coca growers' movement placed itself, then, at the centre of the bloc of social movements challenging the status quo.

### **The Gas War and the Rise of the *October Agenda***

In February of 2003, amidst an acute economic crisis and a bureaucratic paralysis, Sánchez de Lozada launched a highly unpopular policy aimed at tackling public deficit. He proposed the creation of a progressive income tax (Albro, 2005). This measure, labelled by its critics as *El Impuestazo* or the Big Tax, triggered mass protests that were later connected to a renewed demand of the low ranks of the police for an increase in their wages. Consequently, members of the police exchanged bullets with the army in Murillo square, leaving 17 policemen and 13 soldiers dead. Afterwards, the headquarters of the *traditional parties* were looted and burnt. In sum, in what was known as *Black February*, the state completely lost its monopoly of the use of force (Ibid; Miranda, 2013, Dunkerley, 2007). The crisis of legitimacy of the political system was thus progressively transforming into a legitimacy crisis of the state.

Unable to trust to the police, Goni relied on the Army and its *handbook for the use of force*, approved by executive decree in August 2002. The instrument was aimed at *regulating* the use of force by the army in situations such as “vandalism, crime, road blockades, marches, manifestations, etc.” (Ibid). Finally, the by-law claimed to provide for “**legitimacy, legality** and parameters according to which a particular military unit...could administer **legal violence** protecting the interests of the State and its own personnel... **avoiding excesses that could break the law**” (Ibid, own emphasis).

Five months later the army launched its *Plan República* (Republic Plan), authorising the military to use force against civilians in cases such as the “clearance of road blockades, the control of civilian disturbances, support for the police, the control of ethnic and secessionist conflicts, the degradation of the environment” (Ibid). It was the first time since the return to democracy that the Bolivian state openly resorted to the military to suppress social mobilisation. In other words, the regime entered an open war against a part of society,



criminalising social protest based on executive commands and bylaws, bypassing congress and, therefore, undermining legality.

At the same time, social movements were exercising a siege to the state apparatus. This can be explained by the fact that the legitimacy crisis of representative institutions drifted into a legitimacy crisis of the state. As analysed in Chapter 1, when a legal system is emptied of its legitimacy, it will rely on coercion to sustain itself. The more that force is used, the broader the sectors of society that will be alienated from the regime, triggering a self-reinforcing spiral of political de-legitimation and legal ineffectiveness. This was the dynamic in which the government of Sánchez de Lozada entered in 2003.

In September 2003, indigenous sectors related to the CSUTCB and its leader, *El Mallku*, blocked the main roads in the town of Warisata, raising socioeconomic demands. Many international tourists got trapped. Hence, the army and the police launched an operation to *rescue the tourists*, in which seven people died. The inhabitants consequently looted and burned public buildings and expelled any trace of the state's presence. Later, CSUTCB blocked the entire department of La Paz in support of the Warisata mourners. At this stage, protesters were demanding the resignation of Sánchez de Lozada.

In El Alto, 800 neighbourhood associations, under their umbrella organisation, FEJUVE – *Federación de Juntas Vecinales de El Alto* – had agreed on a political agenda for change, following the mobilisations of Cochabamba and the Altiplano in 2000 and 2001. According to one of the top executives of FEJUVE<sup>78</sup>, during its second congress in 2002, the association decided to issue a political agenda of eight points, including its open opposition to the export of the Bolivian gas through Chilean ports, a project proposed by government early that year, as well as the nationalisation and industrialisation of hydrocarbons, the redistribution of land and, in general, to end neo-liberalism in Bolivia (*Miranda, 2013, quoting Quillali, who was a Zone President in El Alto in 2003*).

This was the basis of the so-called *October Agenda*, to which protesters then added the demand for a CA, the main demand of the indigenous bloc, and a referendum on the hydrocarbons policy. The weekend between the 10<sup>th</sup> and the 12<sup>th</sup> of October La Paz was

---

<sup>78</sup> Federación de Juntas Vecinales de El Alto.

encircled without fuel supplies or food. The government then took the blunt decision of breaking the blockade and barricades of El Alto using the military. This resulted in the death of 67 inhabitants of El Alto (Ibid, Albro, 2007; Dunkerley, 2007).

This event prompted further mobilisation, with new sectors from different areas of the country moving towards La Paz. The middle class withdrew its support for the regime and organised hunger strikes demanding the president's resignation. Finally, Goni handed a resignation letter to congress on the 17<sup>th</sup> of October 2003, giving way for the constitutional succession of Carlos Mesa. Mesa, in his first address to the congress, committed to pave the way for the CA and to call for a binding referendum on the hydrocarbons policy of the country. In sum, Mesa adopted the *October Agenda*.

### **Counter-mobilisation: The Re-politicisation of Regionalism and the Rise of the *January Agenda***

The cycle of instability and mobilisation analysed up until here, was mostly centred in the western highlands. Throughout this period, the civic movements of the eastern lowlands, particularly in the city of Santa Cruz, followed these events with suspicious indifference. However, by 2001, some radical elite sectors in Santa Cruz started to feel threatened by the rise of the socio-political bloc that later toppled Sánchez de Lozada.

By 2001, a movement located in Santa Cruz issued a *Memorandum*,<sup>79</sup> in which they demanded the “autonomy of their region, in the framework of a new pact with the state” (Rodriguez Ostria, 2011:127). This movement was called *Movimiento Autonomista Nación Camba*, The Autonomist Movement of the *Camba* Nation. At the beginning, their demand seemed isolated, but after the fall of Sánchez de Lozada, broader sectors in Santa Cruz coalesced behind the call for departmental autonomies, as the solution to the state crisis.

In a communique issued the same day of Goni's resignation, the *Civic Committee of Santa Cruz* said *Enough!* They identified the root causes of the crisis in “the frustration produced by the existence of a centralist, corrupt and inefficient system of government” (PIEB,

---

<sup>79</sup> In remembrance to the 1904 *Memorandum* issued by the Society of Geographic Studies of Santa Cruz, mentioned in Chapter 2.

virtual archives). If the state were not to be re-founded upon the basis of departmental decentralisation, the Civic Committee warned:

“...we put in doubt the permanence of Santa Cruz in the current structure of the country...[since] we just recognise the **legality and legitimacy**<sup>80</sup> of a political system to the extent that we can exercise the right to decide on our own destiny under the inalienable principle of self-determination...” (Ibid).

In the days that followed, the civic committee engaged in meetings with other organisations under the umbrella of the Assembly of Santa Cruz and with the civic committees of the departments of Tarija and Pando. The discourse issued by the president of the committee, Ruben Costas, stressed the fact that they never supported the government of Sánchez de Lozada as such, during the days prior to his fall; however, they supported democratic institutions in general, and a peaceful solution to the crisis. Furthermore, the Assembly of Santa Cruz reaffirmed its “unwavering will for the **re-foundation of Bolivia** under the basis of **regional autonomies** to be incorporated in the Constitution” (Ibid). Regarding the issue of natural resources, particularly gas, they “...endorsed the decision to export natural gas to new markets, [reaffirming] the right of the producing departments to promote their own development, through an increase in their departmental royalties” (Ibid).

By June 2004, the demand for departmental autonomies was endorsed by the civic committees of Beni, Tarija and Pando. The 28<sup>th</sup> of January 2005, hundreds of thousands gathered again in Santa Cruz demanding the election of *governors* for the departments. Mesa then felt compelled to issue a decree calling for a direct *selection*<sup>81</sup> of prefects, by popular vote. The *selection* of prefects was called in the absence of any constitutional or legal basis; however, *cabildos* legitimised the decision. The *January Agenda*, namely the demand for the creation of an autonomic state, was born. This would change the dynamics of the growing gap between legality and these emerging sources of legitimacy.

---

<sup>80</sup> My emphasis.

<sup>81</sup> For the first time, prefects, namely the main executive authorities in the departments would be elected by the popular vote. To maintain a sense of legality, though, this exercise was named selection of prefects, because the president should endorse the outcome of the electoral process. He would appoint as prefects those who won the election in each department.

### 6.2.2 Explaining the Contentious Origins of the *October* and *January Agendas*

The *October* and *January Agendas* were born in cycles of mobilisation and conflict through which different sectors of society responded to their shifting relative positions in the structure of cleavages and, therefore, in the balance of powers within the Bolivian society. These agendas were not based on structured intellectual plans. October 2003 and January 2005 were just tipping points or moments of crystallisation of both agendas. Social changes, insufficiently channelled through the party system, led the new actors to contest their legitimacy, and later the legitimacy of the state itself. In this dynamic, these actors allied with other segments hitherto separated from them due to ethnic, regional and class divides. Finally, these blocs advanced to put forward alternative bases for the legitimacy of the state and political institutions.

*Social wars* and *cabildos* were the building blocks of these cycles of mobilisation. Against the background of a generalised perception of the irresponsiveness of *pacted democracy* to the economic *crisis*, isolated demands against specific policies were scaled-up behind more comprehensive normative stances and policy objectives. This happened through contentious engagements between social movements and the state. Legitimation, thus, became the glue holding these blocs together behind these *Agendas*. Demands against the increase of the price of water in Cochabamba, for example, soon transformed into nation-wide resistance against the *privatisation of water*.

Similarly, the demand for the CA became an umbrella, under which hitherto rival indigenous organisations gathered to demand the re-foundation of a plurinational state. This re-foundational discourse became a magnet for the indigenous sectors of the country and granted them international legitimacy in a world in which identity moved to the centre of politics. Behind the *October Agenda*, upheld by popular urban sectors of El Alto and other cities, an indigenous-popular bloc consolidated itself as a counter-hegemonic force that re-politicised the ethnic and class divides. From then on, the legitimacy of the state itself would be seriously undermined.

I interviewed Marianela Paco, former MP for the MAS-IPSP representing Chuquisaca and current Minister of Communications. Mrs. Paco started her career as a social worker, facilitating debates on labour relations and other issues in rural areas of Potosí. She

migrated from Potosi to Sucre, pursuing studies in communications and became a radio broadcaster in rural areas. According to her, the longstanding causes of the crisis of legitimacy of the state, were related to “a racist social and institutional structure of the state that created a sense of distance and estrangement between the population and its representatives” (Interview with Marianela Paco, 2013). Following from the above, Bolivian people felt that the “resources of the state, particularly the output of our natural resources did not reach the population; while the levels of poverty were more extreme, and could not be reversed with (Ibid).

“Hence, I think that it was the weariness felt by the population about this scheme of the state which facilitated the union of the social organisations, to go to the streets...demanding inclusion of the social organisations, of civil society and therefore civil society mobilised to...build a new state, to leave the state that discriminates against people and to enter the plurinational state” (Ibid).

Regarding the demand for a CA, Paco expressed:

” The people said: it is not enough to reform the constitution, we have to re-found the country...and those in government at the moment had to accept, otherwise we would not be speaking today of a democratic-cultural revolution but of an armed revolution, which I feared so much at that time. Thus, we had to put these governments in a checkmate situation...for them to see the CA as a peaceful solution” (Ibid).

In other words, against the background of a feeling of estrangement from the state; the effects of the crisis gave way to a generalised perception that poverty was increasing and that elites were irresponsive and corrupt. All the above created the basis for the emergence of a discourse de-legitimizing the state and political institutions. This de-legitimizing discourse gave way to the *October Agenda*, which in turn was a re-legitimizing discourse. These de-legitimation and re-legitimation discourses were the cohesive elements bringing together a myriad of urban and rural popular and indigenous sectors. Finally, these sectors shared the notion that a constitutional reform was not enough, and that is why a more radical change, a re-foundational Constituent Assembly became the focal point of cohesion of the indigenous and popular bloc.

As Juan Carlos Pinto, who was the presidential representative for the CA, linking Evo Morales’ administration and the CA, expressed to me in an interview: “The CA installed itself as a concept closer to the people...it became part of the imaginary of the people. The

CA was equal to change and change was equal to inclusion, that's it!" (Interview with Juan Carlos Pinto, 2013).

Since legally speaking, it was only allowed to reform the constitution partially, re-legitimising the state according to the *October Agenda*, would lead to the opening of the gap between legality and legitimacy. At this point, the legitimacy crisis of the state was mostly concentrated in the western highlands of Bolivia.

These demands, however, soon found a response from the *half moon* departments, in the form of the *January Agenda*, upheld by another important network of civil society organisations, gathered behind civic committees. These segments initiated their own cycle of protests and *cabildos*, directed against the allegedly centralist administration of Carlos Mesa. Soon after, this demand was scaled-up questioning the historically centralist and *Andean-centric* character of the Bolivian state. This de-legitimizing discourse would soon escalate to a re-legitimizing proposal for the transition towards an autonomic state, re-politicising the regional cleavage and opening a second point of rupture between legality and legitimacy. Out of the tension between these two re-foundational agendas, the legitimacy of Bolivia as a national state was subjected to a serious stress test.

### **6.3 Re-legitimizing the State, bypassing Legality**

#### **6.3.1 The Gap between Legality and Legitimacy and the CA**

According to the Law of the Constitutional Tribunal, approved in 1998, the Constitutional Tribunal (CT) was created in order to preserve the primacy of the constitution and the rule of law. One of its mechanisms was called constitutional consultation. Under constitutional consultation all MPs were entitled to issue consultations to the CT, regarding the constitutionality of proposed laws.

The demands for a CA gained protagonism during the year of 2000. By January 2001, the senate decided to consult the CT about the constitutionality of a hypothetical CA, through a draft law calling for a CA "to reform the Constitution" (CD 001/2001), a process in which the Executive, Legislative and Judicial Branches would implement the CA during the next 180 days after the approval of the Law".

The CT responded to the consultation through a constitutional declaration (CD 01/2001). The CT acknowledged the “claim of some Bolivians for the need to give the country a new constitutional outlook”. The CT sustained that the “organic part of the constitution should face a serious process of reform, based on an open debate in society, in order for the institutions and branches of the state **to respond legitimately**<sup>82</sup> to popular sovereignty” (Ibid).

Nevertheless, a strict legal analysis led the CT to conclude that such a law would be unconstitutional, since Article 230 of the constitution established:

“I. This Constitution can be **partially**<sup>83</sup> reformed, with a previous declaration of the need for the reform, which would be precisely established in an ordinary Law approved by two thirds of the members of each of the Legislative Chambers.

II. The mentioned Law can be initiated by any of the Chambers, in the form established by the present Constitution...” (Bolivian Constitution, 1994).

Therefore, according to the CT, “besides being unconstitutional, it [was] unnecessary to call for a Constituent Assembly to reform the Constitution, because in order to do so it was simply required to pass an ordinary Law” (CD 01/2001). Furthermore, the CT went deeper in the theoretical implications of Article 230, by interpreting it as a clear sign of the derivative character of the Bolivian constituent power, vested in congress, whose “capacities, procedures, functions and efficacy were regulated by the fundamental law itself, imposing procedural and substantive limits upon it” (Ibid). Following this line of reasoning, if a draft law calling for a CA was passed, “the legal-constitutional order, which has pre-eminence over any other legal norm, would be broken” (Ibid). Article 228 of the Bolivian constitution stated that “the Constitution is the supreme Law of the legal order. Tribunals, judges and other authorities will apply it with preference over Laws, and will apply Laws with preference to any other type of resolution” (Bolivian Constitution, 1994).

Consequently, the CT declared the “**UNCONSTITUTIONALITY** of the draft Law [aimed at calling] for a Constituent Assembly” (CD 01/2001, original emphasis). Since Law No 1836 of the Constitutional Tribunal established, in its Article 105, the binding

---

<sup>82</sup> My own emphasis.

<sup>83</sup> My own emphasis.

character of constitutional declarations, the CD 01/2001 closed the legal doors to the CA. From there on, thus, the promoters of the CA mobilised unsuccessfully to incorporate it in the LNCR.

Article 230 established that the LNCR would set the legal framework for the articles to be considered as needing changes in a legislative period. These articles would be those discussed by a future parliament to decide the final outlook of the constitutional reform in the LRC (see Section 5.2). The LNCR<sup>84</sup> sustained the substantive arguments upheld by the CT, excluding the potential adoption of a CA from the agenda. However, in the aftermath of the *Gas War*, Mesa saw himself obliged to advance the *October Agenda*, including the CA. The latter and other participatory institutions were introduced in the LRC, as shown in Table<sup>85</sup> 14. Hence, from a legal perspective, procedurally and substantively, the LRC approved the 20<sup>th</sup> of February 2004 broke the line of continuity regarding the procedures for adopting constitutional changes within the principle of legality.

Analysing the institutions introduced by the 2002 LNRC, and the additions and changes introduced to it by the LRC of 2004 shown in Table 12 , such as i) the rupture of the monopoly of representation of the political parties in favour of citizen's organisations and indigenous peoples; ii) the introduction of the Citizen's Legislative Initiative; iii) the referendum and finally iv) the CA, it is clear that these changes responded to popular demands for more representation and participation or, in other words, to the legitimacy crisis of *pacted democracy* and its institutions. In a further stage, the crisis drifted towards a state's legitimacy crisis, expressed through the emergence of the *October* and the *January Agendas*, demanding for the (re)foundation of the state. In other words, the difference between the constitution of 1994 and the LNRC of 2002 reflects the opening of a gap between legality and legitimacy; whereas the difference between the latter and the LRC show how the gap reached the point of complete rupture between what was perceived as legal and what was perceived as legitimate.

---

<sup>84</sup> The LNCR, Law No 2410 of the Second of August of 2002 introduced changes to 45 articles of the Constitution.

<sup>85</sup> The LRC reformed 15 articles of the Constitution, not all, however, in the framework of the LNRC.



This extreme was corroborated by Mesa (2011) in his *memoires*. Mesa acknowledges that his stance was contrary to the idea of the CA because i) he thought that “the only CA [for a country] is the one that takes place at the birth of the nation and gives way to its constitutive charter” (Ibid), and ii) that the “1967 Constitution...and its reforms [1994] was a good constitution, partially perfectible, in order to which a Constituent Assembly was not needed” (Ibid:111). In other words, before October of 2003 Mesa’s ideas were similar to those expressed by the CT; nevertheless, this conviction suddenly changed when 67 persons were killed in the *Gas War*. October 2003, according to him, reflected that there was “a rupture of the links between the Constitution and the people” (Ibid).

“...it was clear that the citizenry didn’t feel the constitution as theirs. Hence the debate about its virtues and content was out of question, that was not the problem but the imperative need for the people to feel the constitution as the product of a social pact agreed by all of them, written and endorsed from the very basis of society...reflecting all Bolivians [and] incorporating their visions for the country from their ethnic, cultural, religious, ideological, regional, and political perspectives” (Ibid).

In other words, Mesa pushed for the introduction of the CA in the LRC based on considerations of legitimacy, or in this case its deficit, dismissing legality. Despite the effort made by Mesa to, at least nominally, curve the gap between legality and legitimacy in the constitutional reform of 2004, by introducing the CA in the LRC, the reform violated legality in both substantive and procedural ways. The legal road followed by the *January Agenda*, was even more tenuous in terms of its legality, as we will see in the next section.

**Table 12 The Gap Between Legality and Legitimacy and the Constitutional Reform (2002-2004)**

<b>1994 Constitution</b>	<b>LNRC (2002)</b>	<b>LRC (2004)</b>
Art. 4. - I. The people neither govern nor deliberate if not through its representatives and the authorities created by Law.	Art. 4.- I. <b>The people govern and deliberate</b> through its representatives and through the Citizen's <b>Legislative Initiative and the Constitutional Referendum</b> established by Law.	Art. 4.- I. <b>The people govern and deliberate</b> through its representatives and through the <b>Constituent Assembly</b> , the <b>Citizen's Legislative Initiative</b> and the <b>Referendum</b> established by this Constitution and regulated by Law.
Art. 223.- Popular Representation is exercised through political parties or the coalitions formed by them. The civic organisations representing the social forces of the country, and legally recognised can be part of such coalitions to postulate candidates to the Presidency, Vice-Presidency, Mayors and Councillors.	Art. 222.- Popular Representation is exercised through political parties and <b>citizen organisations</b> , according to the present Constitution and other Laws.	Art. 222.- Popular Representation is exercised through political parties, <b>citizen organisations</b> and <b>indigenous peoples</b> , according to the present Constitution and other Laws.
	Art. 224.- <b>Citizen organisations can directly postulate candidates to the Presidency, Vice-Presidency, Constituents, Councillors, Mayors and Municipal Agents, in conditions of legal equality and complying with the conditions required by it.</b>	Art. 224.- The political parties and/or <b>citizen organisations</b> and/or <b>indigenous peoples</b> can directly postulate candidates to the Presidency, Vice-Presidency, Constituents, Councillors, Mayors and Municipal Agents, in conditions of legal equality and complying with the conditions required by it.
Art. 230.- 1. This Constitution can only be partially reformed through a previous declaration for the need of its reformed, precisely determined in an ordinary Law approved by two thirds of the present members in each of the [Congress] Chambers.	Art. 230.- 1. This Constitution can only be partially reformed through a previous declaration for the need of its reformed, precisely determined in an ordinary Law approved by two thirds of the present members in each of the [Congress] Chambers	Art. 232.- <b>The Total Reform of the Constitution is the exclusive power of the Constituent Assembly which will be convened through a Special Law, which in turn will established the forms and methods for the election of the Constituents and will be approved by two thirds of the present members of the National Congress and cannot be vetoed by the President.</b>
Art. 232.- The [Congress] Chambers will deliberate and vote for the [Constitutional] Reform, adjusting them to the dispositions established by the Law declaring the need for it.	Art. 231.- The [Congress] Chambers will deliberate and vote for the [Constitutional] Reform, adjusting them to the dispositions established by the Law declaring the need for it.	Art. 231.- Maintained the same formulation, but added article 232.

Source: Own elaboration based in the Bolivian Constitution of 1994, the LFNRC of 2002 and the LRC of 2004

### 6.3.2 The Demand for an Autonomic State and its Legality

When congress accepted the resignation of Sánchez de Lozada, most members of his party rejected the resignation. One of them, a representative from Santa Cruz expressed: "...our commitment is with the autonomy of Santa Cruz" (MP Jorge Valdez from Santa Cruz, Congressional debates archives, Encyclopaedia of the CA, 2012). Minutes later, when he was delivering his inaugural speech, Mesa referred to Valdez' intervention and expressed: "I want to highlight... the creative capacity within this proposal to re-design the country, born in such a vital and admirable historical and geographic scenario such as the Department of Santa Cruz" (Ibid).

Nevertheless, the LRC was passed without establishing any consideration regarding departmental autonomies. Mesa believed that the CA was the place to insert these changes, whereas the leaders of the civic-regional bloc were anxious about the uncertain outcome of the CA, which would potentially be dominated by the indigenous-popular bloc. Thus, the regional bloc wanted to secure the path towards an autonomic state before the establishment of the CA.

The civic committee of Santa Cruz began, then, a campaign against Carlos Mesa, pointing at his allegedly anti-autonomic sentiment. This happened despite the fact that Mesa tried to cope with these pressures. For example, in the 10<sup>th</sup> anniversary of the PPL, he said:

"I am convinced that the demand for decentralisation is a **legitimate** demand and I think that it is time to speak about autonomous departmental governments. The autonomy of the departments is a path that we have to follow [through] the modification of Articles 109 and 110 of the constitution...these articles must be modified in the Constituent Assembly which must be installed the next year...[We have to advance towards] the direct election, through the popular vote, of the Prefect and the departmental councillors" (Mesa, 2011:217, own emphasis).

Articles 109 and 110 stated that "in each Department the executive branch would be exercised and administered by a Prefect, designated by the President" (Art. 109 of the Bolivian Constitution, 2004); furthermore, in each department "the executive branch is exercised under a regime of administrative decentralisation" (Art. 110, Ibid). Since these articles had not been modified in February 2004, it was just through the CA that this change could occur. However, the civic sectors of Santa Cruz continued their campaign against

Mesa, to create a discernible enemy against whom they could forge an alliance backing their counter-movement. They identified Mesa with centralism, which according to them had been historically exercised in detriment of Santa Cruz by an *Andean-centric* state.

The relationship between Mesa and the civic leadership of Santa Cruz was further damaged by a comment made by the former in a televised interview. When asked about the tense relationships of his government and the departments of Santa Cruz and Tarija, Mesa said:

“Santa Cruz is the department which holds an undisputed leadership in the country...however it does not assume this leadership and keeps on working under the logic of locating its regional demands above its national leadership. There, I believe, the elites of Santa Cruz are trapped in a provincial perspective of things...” (Mesa, 2008:220).

Mesa’s levels of approval in Santa Cruz went from 61% to 36% (Ibid) in the next days. While the leadership of Mesa was de-legitimised, the leadership of the civic committee was gaining traction. By January 2005, the situation reached a peak and the civic committee managed to organise the biggest demonstration that Bolivia witnessed up until then. Half a million people gathered demanding *Autonomy now!* and the popular election of a *governor*. The commander of the armed forces, General Aranda, expressed to Mesa that “the very existence of the country [was] at stake” (Ibid:226)

Nevertheless, Mesa left the *cabildo* to take place and later approved an executive decree<sup>86</sup> giving way to the popular election of prefects. Since this openly contradicted the constitution, he re-named the exercise a *selection* of prefects. He would nominate, as prefects, those citizens favoured by the popular vote. Furthermore, parliament was also pressured to approve a complementary law that changed the electoral law in order for the electoral court to administer these elections. Once again, a legitimate demand for the transformation of political institutions gave way to the break of the constitutional hierarchy of laws, creating a new front for the gap between legality and legitimacy.

---

<sup>86</sup> Decree N 27988 for the Selection of Prefects.

## 6.4 Conclusions

In the present chapter I have demonstrated that between the year 2000 and 2005, Bolivia experienced the opening of a gap between legality and two agendas for the re-legitimation of the state, namely the *October* and *January Agendas*. These agendas were upheld by actors directly related to the interaction of social and political changes experienced by the country in the late 1900s and their disruptive effects on the country's cleavage structure. It is not a coincidence that the key centres of mobilisation were El Alto and Santa Cruz, the cities most dramatically impacted by the two-fold process of rapid urbanisation analysed in Chapter 4. Other actors such as the coca growers, indigenous organisations such as CIDOB and CONAMAQ, are as well partly product of the impact of these *glocal trends*. The war on drugs, the wave of multiculturalism pushed by international organisations and NGO's, the global wave of decentralisation and other *glocal* dynamics are directly related to the rise of the *October* and *January Agendas*.

The *Asian Crisis* triggered the spiral of de-legitimation of the political system. *Pacted democracy* based its legitimacy on its efficiency as an institutional device to create economic and political stability. After the *Asian Crisis*, however, *pacted democracy* accelerated the economic and political crises because it created a self-reinforcing cycle by which people associated the economic crisis with the failure of neo-liberalism, the latter with *pacted democracy* and *pacted democracy* with corruption, which in turn was to be blamed for the lack of state response to the economic crisis. Lacking legitimacy, Sánchez de Lozada's government relied on coercion to confront the *October Agenda*. The result was a further escalation of violence and a further cycle of de-legitimation, as broader segments of the population were alienated by the violent state response.

The *October* and *January Agendas* were born on the eve of the *Asian Crisis*, in cycles of mobilisation and conflict through which different sectors of society responded to their shifting relative positions in the structure of cleavages and the societal balance of powers. October 2003 and January 2005 were just tipping points or moments of crystallisation of both agendas. Social changes, insufficiently channelled through the party system, led the new actors to contest their legitimacy, and later the legitimacy of the state itself. The rise of these agendas is very telling of the fact that the cleavage structure disrupted by decades

of social change was being re-politicised behind the *October Agenda*, in which class and ethnicity were articulated; and the *January Agenda*, in which class and regionalism were revisited.

Between 2000 and 2005, thus, the structure of legitimacy experienced a downward spiral of de-legitimation of i) the regime performance, ii) political actors – parties and its coalitions, iii) the regime institutions and principles – representative democracy in the form of *pacted democracy* – and, finally, iv) the state and its relation to the national question. The hitherto marginal demand for a CA became a legitimisation umbrella under which a motley configuration of popular and indigenous sectors coalesced. This indigenous-popular bloc proposed to revisit the *national question* through the re-foundation a plurinational state which would also require a strong presence in the economy. As a reaction to this demand, after the fall of Sánchez de Lozada, a counter-movement emerged in the eastern lowlands, demanding the re-foundation of the state through the transition to an autonomic state.

As I have analysed in the third section of this chapter, procedurally as well as substantially, these demands were inserted in the institutional structure of the country violating the principle of legality; in other words, opening a gap between legality and legitimacy. The legal system, emptied of its legitimacy basis, progressively relied on coercion to survive, deepening the legitimacy crisis even further and eroding itself because of its lack of effectiveness. The only exception to this dynamic was related to the local governments, which scored relatively high in their levels of legitimacy throughout the period.

In a first stage of the state crisis, both legality and legitimacy faced a progressive erosion, while diverging in their paths. Later, to re-legitimise the state and political institutions, two projects of re-legitimation emerged in the form of the *January* and *October Agendas*. From there on, the dynamic of the gap between legality and legitimacy would adopt a different trajectory; one by which legality would erode even further, while two agendas for the re-legitimation of the state would struggle to establish themselves as the hegemonic foundations of a new constitution.

## Chapter Seven

### Reimagining the Nation: Closing the Gap between Legality and Legitimacy?

*“...los que han planteado solo Asamblea Constituyente están rompiendo con el oriente [del país], los que han planteado solo referéndum y elección de Prefectos están rompiendo con el occidente.”*

Filemon Escobar, historic trade-unionist and founder of the MAS-IPSP, MP between 2002 and 2005, in his address to congress in July 2005

*“...en esta crisis del sistema político no se han generado nuevos paradigmas, es decir nuevos modelos, siempre hemos vivido con modelos copiados, sin respetar ni valores, ni los principios que tenemos en nuestras culturas importantes como la Aymara y la Quechua, hay valores bastante ricos que nos pueden ayudar a que nuestra Constitución sea verdaderamente reconocida, no solo superficialmente. Actualmente [la Constitución] mantiene una legalidad formal, pero ha perdido la legitimidad de la mayoría.”*

Constituent Evaristo Pairo – AYRA – in his address to the CA

The present Chapter will analyse the process that led to the CA, which resulted from the collapse of *pacted democracy* and the rise of two competing socio-political blocs. Theoretically speaking, since the *October* and *January Agendas* were supported by broad segments of the population, in the streets as well as in the ballot box, it is assumed that these projects enjoyed important levels of political legitimacy. Furthermore, since the actors upholding these agendas agreed on the need to call for a CA as a solution to the crisis, one could also infer that the gap between legality and these contending legitimacies should close in the CA.

I will test these theoretical assumptions by focusing on the relationship between these two legitimacies and the legality that was supposed to emerge out of the CA. The analysis will focus on three historical periods, three socio-political spheres and their interaction. The latter refers to i) the period of preparation of the CA to the momentaneous re-legitimation of the political system, ii) the period between the victory of Evo Morales and the MAS-IPSP in the national elections of 2005, and the installation of the CA; and iii) the CA as

such, its ideological and partisan composition, and its relation to the agendas for the re-legitimation of the state and political institutions.

Within each of the above-mentioned periods I will analyse the dynamic of the relationship between legality and legitimacy in the spheres of i) electoral politics – *the ballot box*, ii) the patterns of social protest and conflict – *the streets* – and iii) the patterns of conflict and consensus-building within parliament and the CA – *the forum*.

## 7.1 Two Legitimacies in Course of Collision: From the Ballot Box to the Forum

### 7.1.1 From the Implosion to the Polarisation of the Political System

The collapse of the so-called *traditional parties* was confirmed by their performance in the municipal elections of 2004, which, following the constitutional reform of the same year, opened the possibility for the participation of political organisations different from national political parties.

**Table 13 The Evolution of the Aggregated Share of the Votes at the Municipal Level (1999-2004)**

Party	% of votes 1999	% of votes 2004	Difference in %
MNR	19,2	6,1	-15,1
MIR	15	6,5	-8,5
AND	13,7	2,3	-11,4
UCS	11,1	2,5	-8,6
NFR	7,8	2,7	-5,1
MSM	5,4	8,1	2,7
MBL	4,2	2,3	-1,9
MAS-IPSP	3	17,1	14,1

Source: Ayo, 2010, based on Romero Ballivian, 2005

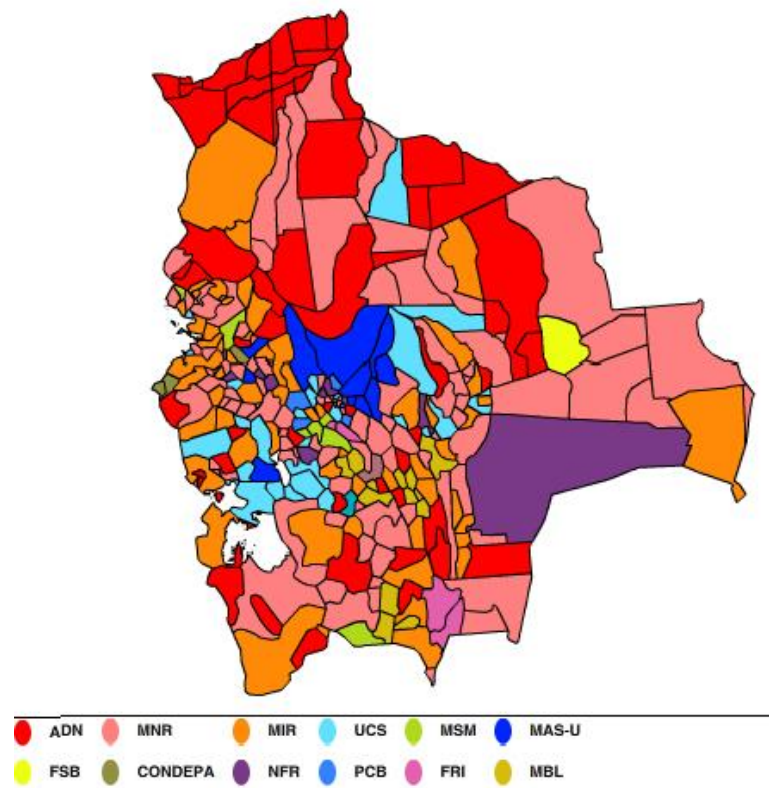


The result of this institutional change was two-fold: i) at the national level it confirmed the collapse of traditional political parties with a reduced share of the votes; whereas ii) at the local level, the system of representation imploded, passing from having 18 political actors in 1999 to 450, in 2004 – 51 political parties, 337 citizen organisations, and 62 indigenous peoples (Ayo, 2010; Romero Ballivian, 2005).

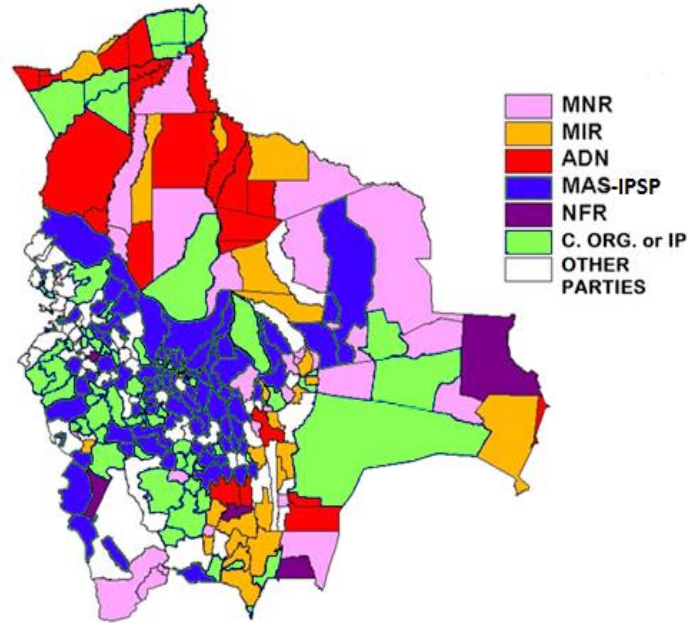
In the wake of this implosion, the MAS-IPSP held standing as the only force capable of growing while asserting its presence throughout the Bolivian territory; as we can see in Table 13 and Figure 31. Further instability following the resignation of Mesa made it indispensable to solve the deadlock between the *January* and the *October Agendas*. The first step in order to do this was to call for early general elections to renew the basis of legitimacy of the political system. However, further deterioration of legality would take place to pave the way for the national elections.

Figure 31 The Evolution of the Territorial Distribution of Electoral Support at the Municipal Level (1999-2004)

Municipal Elections (1999) First Majority per Municipality



Municipal Elections (2004) First Majority per Municipality



Source: Own elaboration based on TSE/PNUD, 2013

### 7.1.2 The Legal Obstacles for the Re-construction of Legitimacy

After the resignation of Carlos Mesa, Eduardo Rodríguez Veltzé assumed the presidency with the main task of enabling a peaceful transition. This only occurred, however, after a consensus was reached in parliament between the president of the senate – Hormando Vaca Díez (MIR) and of the president of the lower chamber – Mario Cossío (MNR), to resign their right to the presidential succession, as was established in the constitution. These leaders were seen as representatives of the old system. Therefore, the MAS-IPSP considered that they had to step down in order to facilitate a political transition, although this procedure had serious legal pitfalls.

Carlos Mesa acknowledged that when they resigned the presidency of the republic, they were also constitutionally bound to resign as president of the senate and the lower chamber, respectively. However, since they didn't do this, according to Mesa, "the appointment of Rodriguez [as president] was null and void, a not so minor detail which... should be registered in history as one of the many episodes in which the *Magna Charta* has been violated in periods of extreme crises" (Mesa, 2011: 313).

This episode is important because the quest for the re-legitimation of the political system needed a further erosion of legality. In the first session after the resignation of Mesa, congress approved two measures aimed at clearing the road for the *October* and the *January Agendas*. Following the law of referendum, congress resolved, based on the fact that the population of Santa Cruz gathered enough signatures, to call for a referendum on autonomies to be held in July 2006. Furthermore, congress also approved Law 3091, calling for the election of the members of the CA for the same date. Both events, however, would have to be approved by laws of a new congress after the national elections of December 2005.

Article 93 of the constitution in place established that if the line of succession of the presidency reached the president of the supreme court of justice, and if this situation occurred before the first three years of the presidential mandate, the president should call for early elections for the **president** and **vice-president**. Hence, to call for general elections in December 2005, congress approved a law for the reform of the constitution by which the president could call for early general elections and not merely for presidential ones.

Finally, Rodríguez Veltzé, based on this new constitutional basis, approved the Decree 28228 calling for general elections to be held on 4<sup>th</sup> December 2005.

The legality of these norms was challenged by several MPs, in the form of an unconstitutionality indictment. According to the latter, the law for the reform of the constitution could not be effective without the previous calling for a law of the need for a reform, as we saw in Chapter 6. On the other hand, substantially speaking, the law was deemed unconstitutional because it changed the meaning of Article 93, which did not allow for the call of general elections in the event of a constitutional succession up to the president of the supreme court. This to respect the independence of the legislative branch. However, Articles 60 and 65 of the constitution, in which it was stated that the senate and the chamber of deputies held their position for the period of five years, without mentioning any exceptional circumstance based on which the mandate of congress could be reduced (SC 0076/2005). Finally, the demand challenged the legality of Decree 28228, because the constitutional reform on which it was based could not be retroactively applied to the 2005 events, but only to future situations

Despite the strong legal reasoning of the demand, the CT decided for the constitutionality of both norms, mainly based on reasons of legitimacy (or its absence), rather than on reasons of legality. The decision of the CT was founded on the doctrine of *non-judiciable political questions*. The CT declared that the mechanism introduced by the constitutional reform of Article 93 did not violate the constitution but

“introduced a safeguard mechanism of the democratic state proclaimed by Article 1 of the Constitution, **creating an exceptional procedure** able to overcome a potential political, economic and social crisis that could face the country, such as the one originated in last June [2005]...Therefore, the *Constituent [power]* has established the extraordinary closure of the mandate of the members of Senate and the Parliament, **with the objective of the formation of a new government legitimated by the popular will expressed in general elections**<sup>87</sup>...” (Ibid, own emphasis).

Finally, when the road was almost *paved* for new general elections, a further issue emerged. The demographic change analysed in Chapter 4 created new challenges for the electoral system. Article 60 of the constitutional reform of 1994, further developed by Article 88 of

---

<sup>87</sup> My remark.

the electoral law, established the need for a periodic update of the number of representatives assigned to each department, based on their population in each census.

In 1996, following the census of 1992, congress complied with this constitutional mandate. However, the results of the census of 2001 were not used to update the electoral legislation. Hence, in an environment of territorialised social and political tensions, a conflict emerged surrounding the *redistribution of seats*.

Departments that expected an increase in their representation, especially Santa Cruz, pushed for this redistribution. On the opposite side, departments that saw potential losses in their number of representation mobilised to block change. In this scenario, representatives from Santa Cruz issued a new unconstitutionality demand, this time against the outdated Article 88 of the electoral law.

The CT then decided for the unconstitutionality of Article 88 of the electoral law, arguing that the constitutional reform of 2004 defined Bolivia as a democratic state and that the source of power is vested in the people, who exercise this power through direct and equal suffrage. Furthermore, under the principle of the supremacy of the constitution, Article 88 of the electoral law should be reformed in order to accommodate the outcome of the 2001 census, “whose results show that important variations had taken place in the population of the departments, some of which had increased their population, whereas others had diminished due, above all, to migratory flows” (SC 066/2005). Consequently, Article 88 of the electoral law would be affected by a supervening unconstitutionality. Finally, the CT urged the legislative branch to change the relevant article.

However, the parties represented in congress were unable to overcome the sectorial and territorial pressures coming from their constituencies. In this context, Rodríguez Veltzé passed a decree by which the distribution of seats was agreed and the election postponed to the 18th of December.

The episodes analysed above show changes in the trajectory of the gap between legality and legitimacy during 2005. In order to pave the way for a necessary re-legitimation of the political system and the state by implementing the *October* and *January Agendas*, through i) the call for early general elections, ii) the novel election of prefects, iii) the election of

representatives for the CA, and iv) a referendum on departmental autonomies, the legal system and the CT were compelled to act based on reasons of legitimacy, in the course of which legality was severely undermined.

### 7.1.3 The Emergence of a Polarised Political System

General elections took place in December 2005, bringing both the historical victory of Evo Morales and the complete collapse of *pacted democracy*. Furthermore, the political system passed from being highly fragmented, in 2004, to being polarised at both the national and departmental levels, as shown in Figures 32 and 33. The MAS-IPSP then became the most important political organisation in the entire country, due to its organic relationships with indigenous, peasant and urban social movements. On the other side, out of the pieces left by the old political system, and in articulation with the *civic committees* of the *half-moon*, a national citizen organisation called *Poder Democrático y Social* (PODEMOS) was founded by Jorge Tuto Quiroga. Podemos was a decentralised network of local and departmental organisations. Some members of PODEMOS were *recycled* politicians of the ADN and the MIR<sup>88</sup>; whereas others were emerging leaders from a new generation of upper and middle class entrepreneurs and regionalist activists, endorsing the pro-autonomist agenda<sup>89</sup>.

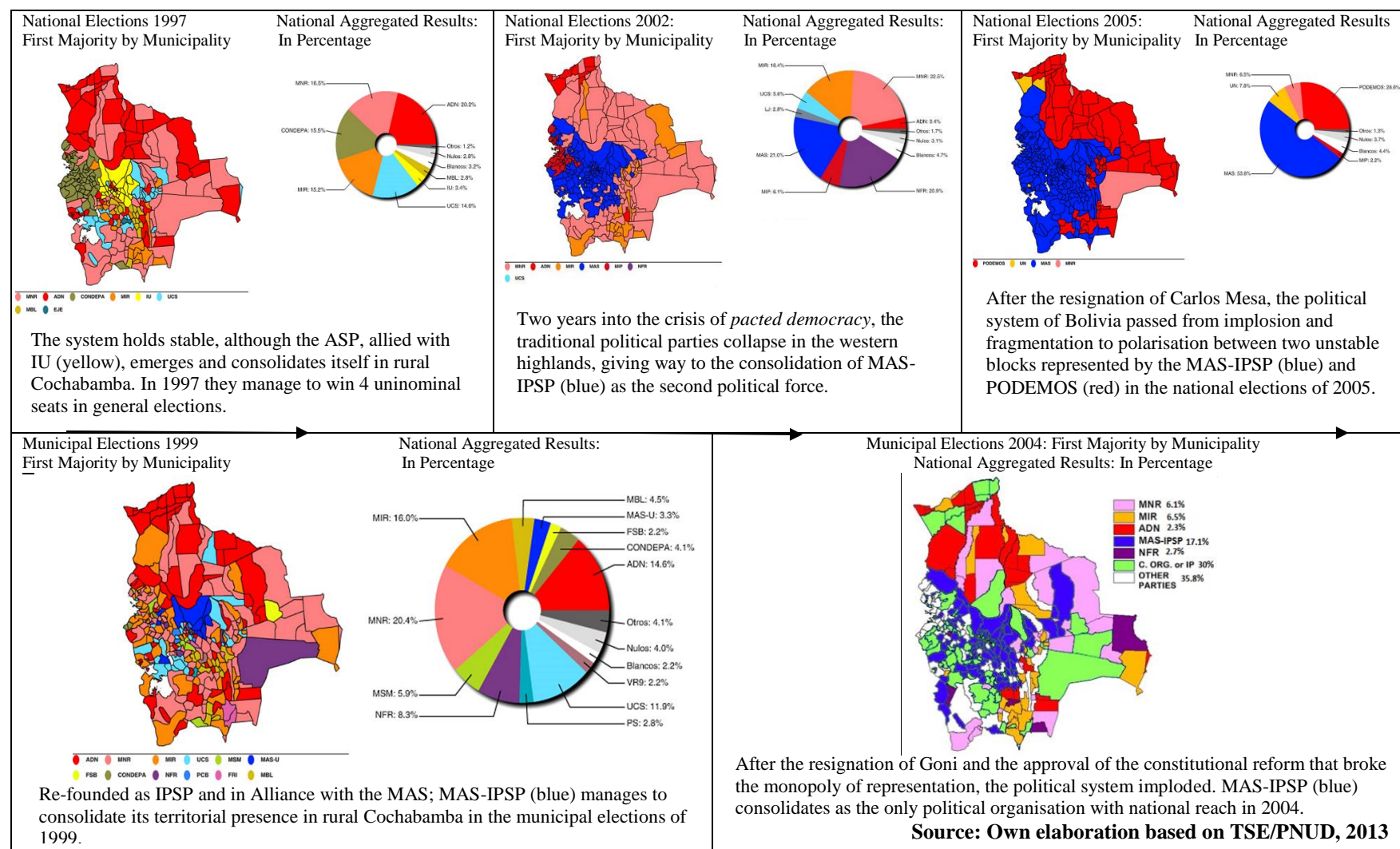
In sum, the elections of 2005 represent an inflexion point in which the fragmentation of the political system gave way to its polarisation, when political forces gathered behind two agendas for the re-legitimation of the state and political institutions, namely the *October* and *January Agendas*.

---

<sup>88</sup> Such as Luis Vasquez from the MIR, Walter Guiteras, Ernesto Suárez Sattori who was a municipal councillor and later (1997) an MP representing ADN for the Department of Beni. Later he was the first elected Prefect of the department representing PODEMOS. However, he had also strong links with the civic committee of that Department and was one of the key figures of CONALDE. I interviewed Ernesto Suárez in November 2012. Jorge Quiroga himself was the second highest leader of AND as analysed in Chapter 5.

<sup>89</sup> Such as Oscar Ortiz, former President of the Chamber of Commerce and Industry of Santa Cruz.

**Figure 32 From Collapse to Polarisation of the Party System in Territorial Perspective (1997-2005)**



A new political system emerged with renewed legitimacy at the national and departmental levels in December 2005, a historical date not just because of the victory of Evo Morales, but also because it was the first time that Bolivians democratically elected the prefects of their departments.

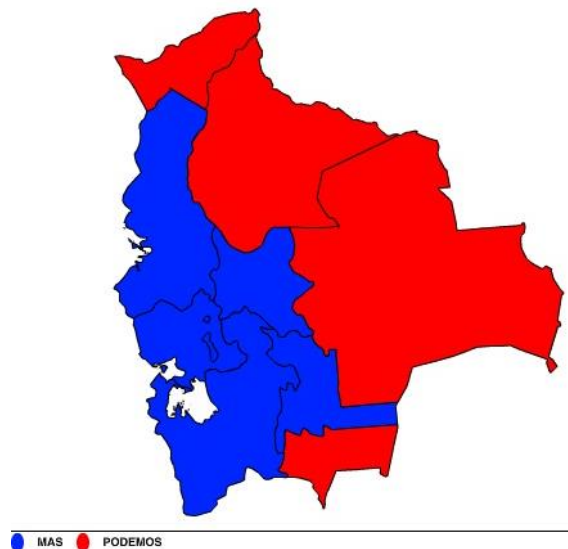
The institutional changes that broke the monopoly of representation of political parties through the constitutional reform of 2004 had important effects at the departmental level. Until 2004, even though elections did take place at a municipal level, candidates were required to belong to a legally recognised political party; which in turn needed to comply with the minimum electoral threshold, measured at a national scale. The constitutional reform of 2004, while maintaining the idea of minimum thresholds for the legal recognition of political organisations, differentiated between the territorial scales in which these organisations participated.

Hence, political parties, citizen organisation or indigenous communities could be validated to participate exclusively at the local or departmental levels. These changes facilitated the emergence of differentiated political systems within each department and municipality, independently of what happened at the national level.

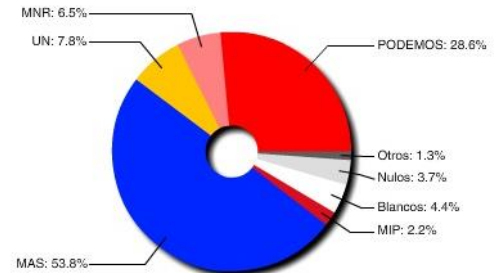


**Figure 33 National Elections vs. Departmental Elections of Prefects (2005)**

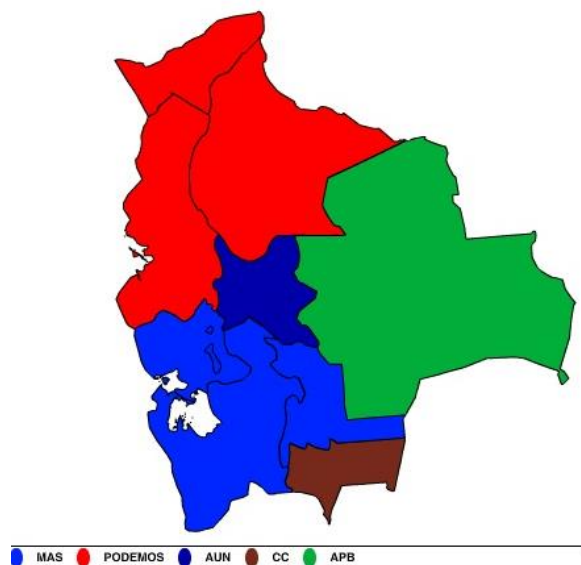
**National Elections 2005:  
First Majority by Department**



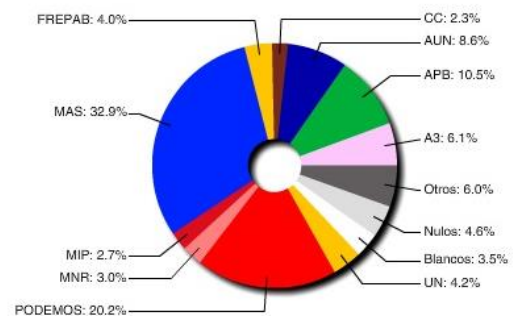
**National Aggregated Results:  
In Percentage**



**Election of Prefects 2005:  
First Majority by Department**



**Aggregated Results**



Source: Own elaboration based on TSE/PNUD, 2013

This reform accelerated the emergence of new actors such as the MAS-IPSP, MSM and NFR, identified in Section 5.3. Although the decentralisation reform of 1994 opened the electoral arena at the local level, there was no explosion of new parties between 1995 and 1999. Only parties that gathered massive support, could challenge the establishment at the

local level. Therefore, the discrete mismatch between the aggregated performance of the political parties registered in the national and municipal elections between 1995 and 1999, gave way to the implosion of the system in 2004. These reforms of 2004, moreover, were a clear response to the legitimacy crisis of *pacted democracy*.

Therefore, even though the MAS-IPSP proved to be the most important force at the national level, it was less effective within the departments, gathering just one third of the aggregated support and winning the prefectures of just three departments. Different local political organisations, some of which had clear pro-autonomist agendas, challenged the hegemony of the MAS-IPSP within the *half moon* departments (Figure 32).

Hence, a new political system was born in 2005, representing the increasingly contradictory agendas for the re-legitimation of the state and political institutions. These agendas would later capture government at the national and departmental levels.

**Table 14 Elected Prefects and their Orientation towards the Adoption of Autonomies (2005)**

<b>Department</b>	<b>First Majority %</b>	<b>Second place %</b>	<b><i>Selected Prefect/political trajectory</i></b>	<b>Possition of the selected Prefect regarding Departmental Autonomies</b>
Chuquisaca	MAS (42.4%)	PODEMOS (36.4%)	David Sánchez (invited for his academic background)	Expressed some sympathy
Cochabamba	AUN (47.7%)	MAS (43.1%)	Manfred Reyes Villa (former mayor of Cochabamba and founder of NFR)	In favour
Oruro	MAS (41%)	PODEMOS (28.3%)	Luis Alberto Aguilar (former MP -2002- and member of the MAS-IPSP)	Only in favour of indigenous, regional and municipal
Potosi	MAS (40.7%)	PODEMOS (29.9%)	Mario Virreyra (academic with contact with miners of Potosi)	Openly oposed
Tarija	CC (45.7%)	CR (34%)	Mario Cossío (former president of the civic committee of Tarija, member of the MNR and President of the lower chamber in 2005)	Openly in favour
Santa Cruz	APB (47.9%)	A3 (28%)	Ruben Costas (former president of the Civic Committee of Santa Cruz during the cabildos of 2004 and 2005)	Openly in favour, leading the movement
Beni	PODEMOS (44.7%)	MNR (29.9%)	Ernesto Suárez (former member of ADN, he municipal councillor and MP for ADN)	Openly in favour
Pando	PODEMOS (44.7%)	UN (46%)	Leopoldo Fernandez (former high ranking member of AND, MP and minister of the presidency during <i>Tuto</i> Quiroga's mandate – 2001-2002)	Openly in favour
La Paz	PODEMOS (38%)	MAS (33.9%)	Jose Luis Paredes (former member of the MIR and Mayor of El Alto. He broke with the MIR and found his party MPP or Movement <i>Plan Progreso</i> in 2004)	Cautiously sympathetic

Source: Own elaboration based on Leñaño Román; 2005, and interview with Ernesto Suárez Sattori, 2013

As a result of the above, the executive branch emerged structurally divided. Six out of the nine prefects were in open opposition to the central government. A legal structure able to support the changes of the source of the authority of prefects was lacking. Before 2005,

this authority originated in the president who appointed the prefects; therefore, it was indirect and top-to-down. After 2005, on the other hand, the source of authority of the prefects emerged directly from the popular vote, and its direction was bottom-up. The reforms of Articles 109 and 110 of the constitution and the electoral law, which gave way to the *selection* of prefects, were not matched by other constitutional and legal changes in the distribution of powers or mechanisms for the resolution of conflicts between the president and the prefects. Before 2005, in case of conflict the president could remove the prefects; after 2005, however, since the conflict could not be legally resolved, they took it to the streets or to the ballot box.

Furthermore, the legislative branch of 2005 was also born divided because the MAS-IPSP obtained 54% of the popular vote, controlling 55.3 % of the lower chamber. However, it only controlled 44.4 % of the senate whose president belonged to PODEMOS. From there on, it became very difficult for the MAS to pass the laws promised to its constituency as part of its *agenda for change*.

**Table 15 The Partisan Composition of Congress, 2005**

<b>Legislative Chamber</b>	<b>Number and Percentage of Representatives per Party or Organisation</b>	<b>Party or Organisation holding the Presidency</b>
Senate (Higher)	PODEMOS= 13 (48.1%) MAS= 12 (44.4%) UN= 1 (7.25) MNR= 1 (7.25) <b>TOTAL= 27 (100%)</b>	PODEMOS
Parliament (Lower)	MAS= 72 (55.3%) PODEMOS= 43 (33.2%) UN= 8 (6.15) MNR= 7 (5.4%) <b>TOTAL= 130 (100%)</b>	MAS

Source: Own elaboration based on TSE/PNUD, 2013

## 7.2 From the (Parliamentary) Forum to the (Constituent) Forum

### 7.2.1 Close to Closing the Gap

Thus, the Law for the Calling of the Constituent Assembly (LCCA) and the Law Calling for the Referendum on Departmental Autonomies (LCRDA) were approved by a divided congress.

Calling for the CA was the first concern of both the MAS-IPSP and PODEMOS. The latter presented a complete project for a new constitution as the basis for its 2005 presidential campaign, whereas the MAS-IPSP envisaged the CA “as a plural, peaceful and inclusive scenario for the construction of a multinational and pluricultural state” (Rodriguez Ostria, 2012:129, quoting the MAS-IPSP 2005 electoral programme). Soon after Evo Morales assumed the presidency, his priority was to call for a CA under the most favourable conditions for his party and the social forces backing it, under the umbrella of the so-called *Unity Pact* (UP). The UP<sup>90</sup> was born in November 2003, in the wake of the conflicts of *Black October*. It was a coalition of social and indigenous movements, closely connected to the MAS-IPSP, built to influence its constitutional proposals.

The constitutional reform of 2004 established, in Article 232, that the CA should be regulated by a special law to be approved by two thirds of congress. Nevertheless, the MAS-IPSP did not control two thirds of congress and it was a minority in the senate. In early 2006, Evo Morales declared that although his party was the majority “they did not have two thirds of the congress, which was a matter of concern... [Hence] he only believed in the strength of the people, the unity of the people” (Evo Morales quoted by Rodriguez Ostria, 2011:133).

Six days later, Morales sent a draft on the LCCA to congress, in which he envisioned a CA containing 210 constituents. These constituents would be elected in the 70 uninominal districts – three per district. The political organisation obtaining more than 50% of votes would get the three seats. Days later, the UP organised a *Social Summit for the Constituent Assembly* in which they called for a nationwide mobilisation until the CA was established

---

<sup>90</sup> By 2004 the Unity Pact was formed by different organisations such as the CSUTCB, CONAMAQ, CPESC, FNMCB-CB, CEPMB, APG, MST-B, CDATC and BOCINAB.

on 6<sup>th</sup> August 2006. They envisioned a CA with 248 constituents, out of which 204 would be elected at the level of 68 uninominal districts – a similar formula as the MAS, with two constituents per department and the rest would be assigned to the indigenous peoples under customary norms (Ibid). Both proposals were immediately rejected by PODEMOS, but they did not have a counter-proposal. Hence, the civic committees of Santa Cruz and Tarija proposed the election of five constituents per department, plus 70 constituents, one per uninominal district, a proposal that was later adopted by PODEMOS. Furthermore, the civic committees of the *half moon* exercised further pressure on their congressmen to approve the LCRDA, parallel to the LCCA, which should be binding for the CA (Ibid). Finally, the opposition also demanded that the approval of the new constitution should be taken by two thirds of the members of the CA.

In other words, the UP and the *civic committees* pressured congress so that its poles gravitated towards the extremes. The conflict also acquired territorial overtones when Evo Morales manifested his objections to the idea that the referendum for departmental autonomies would be binding for the CA. In response, the civic committees of the *half moon* and its prefects, led by Ruben Costas, declared a state of alert in their regions. The UP reacted declaring they would besiege congress to ensure the approval of a favourable LCCA. In sum, the two agendas for the re-legitimation of the state were in course of collision, against the background of a legal vacuum.

One of these agendas, the re-foundation of a plurinational state was majoritarian; but it did not have enough support to completely trump the agenda of the re-foundation of an autonomic state. Furthermore, since the constitution established the need for a two thirds majority to approve a new constitution, the blocs in conflict were uncertain about their chances to assert hegemony, except for their electoral strength. Since the election of constituents would take place soon, they expected this balance of powers to hold. Therefore, the MAS-IPSP wanted to either craft an electoral formula conducive to winning two thirds of the CA, or to avoid the idea of the two thirds majority to approve the constitution; whereas PODEMOS considered it vital for any viable consensus, to avoid both scenarios. Finally, the civic committees of the *half moon* and the newly elected prefects considered it vital, in order to make departmental autonomies a reality, to bind the

CA to the results of the referendum on autonomies, considered department by department, and not at an aggregated level.

After months of conflict, congress managed to agree, unanimously, on a legal procedure stable enough to channel the *October* and *January Agendas* towards a constituent forum. Firstly, congress approved the LCCA based on Articles 2, 4 and 234 of the reformed constitution of 2004 and the special Law 3091 of the 6<sup>th</sup> July, 2005. The LCCA established that the CA would be composed of 255 constituents, out of which 210 would be elected in 70 uninominal circumscriptions. Each district would elect three constituents out of which two would go to the first force and one to the second force. The other 45 constituents would be elected in each of the nine departments – five per department – under the following basis: i) two constituents for the first force, ii) one constituent for the second, third and fourth forces; iii) however, if the third and/or fourth forces did not obtain more than five percent of the votes, the seat/s would be assigned to the first and second forces, on a proportional basis.

The LCCA established that the CA would be based in Sucre, Capital of the Republic, and would work for six to twelve months beginning on 6<sup>th</sup> August 2006. The LCCA established that the new constitution would be approved “by two thirds of the votes of the present members in the Assembly, in accordance to Title IV, Part IV of the constitution [valid at that moment]” (Law 3364, Bolivia). Furthermore, the law established that the constitutional project passed by the CA should be submitted to a national referendum and approved by an absolute majority.

In a second stage, congress approved the LCRDA, based on Article 4 of the 2004 constitution. According to the LCRDA:

“...Those Departments which, through the present Referendum, adopt the decision, by a simple majority of votes, will access the regime of departmental autonomies immediately after the approval of the new Constitution” (Law 3365, Bolivia).

Hence, the same day of the election of the constituents, the population should answer to the following question,

“Do you agree, within the framework of national unity, to give the Constituent Assembly the binding mandate to establish a regime of departmental autonomy, immediately applicable after the approval of the new Constitution in the departments in which this Referendum obtains a majority, so that the citizens of these departments can directly elect their authorities and receive executive powers, normative and administrative attributions and economic and financial resources from the central Government, assigned to them by the new Constitution and the Law?” (Law 3365, Bolivia).

On 2<sup>nd</sup> of July 2006, then, Bolivians voted to elect their constituents and to decide if they wanted to advance towards a regime of departmental autonomies. The outcome of these processes would decide the future structure of the legitimacy of the state and political institutions. Furthermore, the expectation was to reconcile these new sources of legitimacy within the framework of a new legality.

### **7.2.2 The Constituent Assembly and the Polarisation of the Bolivian Society**

#### **Polarisation within the CA**

The balance of powers resulting from the 2005 general elections remained stable for the election of constituents. The MAS-IPSP remained the most important political force of the country; whereas PODEMOS consolidated as the second force nationwide, losing however some momentum. This was because the relationship of the national leadership of PODEMOS and the emerging pro-autonomy forces was rather tense. I interviewed one of the main political leaders of PODEMOS, Carlos Böhrtr Irahola, who was a member of the senate between 2006 and 2009 and one of the key negotiators between PODEMOS and the MAS-IPSP during this period. Böhrtr was an MP representing different parties throughout *pacted democracy*. He was one of the politicians who re-grouped under the umbrella of PODEMOS representing the highland department of Oruro. Therefore, he thought he could build bridges between the demands of the *half-moon* and the demands of the middle classes of the highlands. However, from the very beginning he identified strong impulses that polarised the system from within his party.

“The MAS-IPSP wanted to found a new state, which in itself is a very radical project. Who confronted them? Well the most powerful economic and political sectors of Santa Cruz, who gathered behind the demand for departmental autonomies as an attempt to stop the tide coming over them. Both sectors had...practically irreconcilable political positions. I always thought that PODEMOS could play the role of a moderator in the conflict but we couldn’t...because of the intervention of political and economic factors. PODEMOS did not



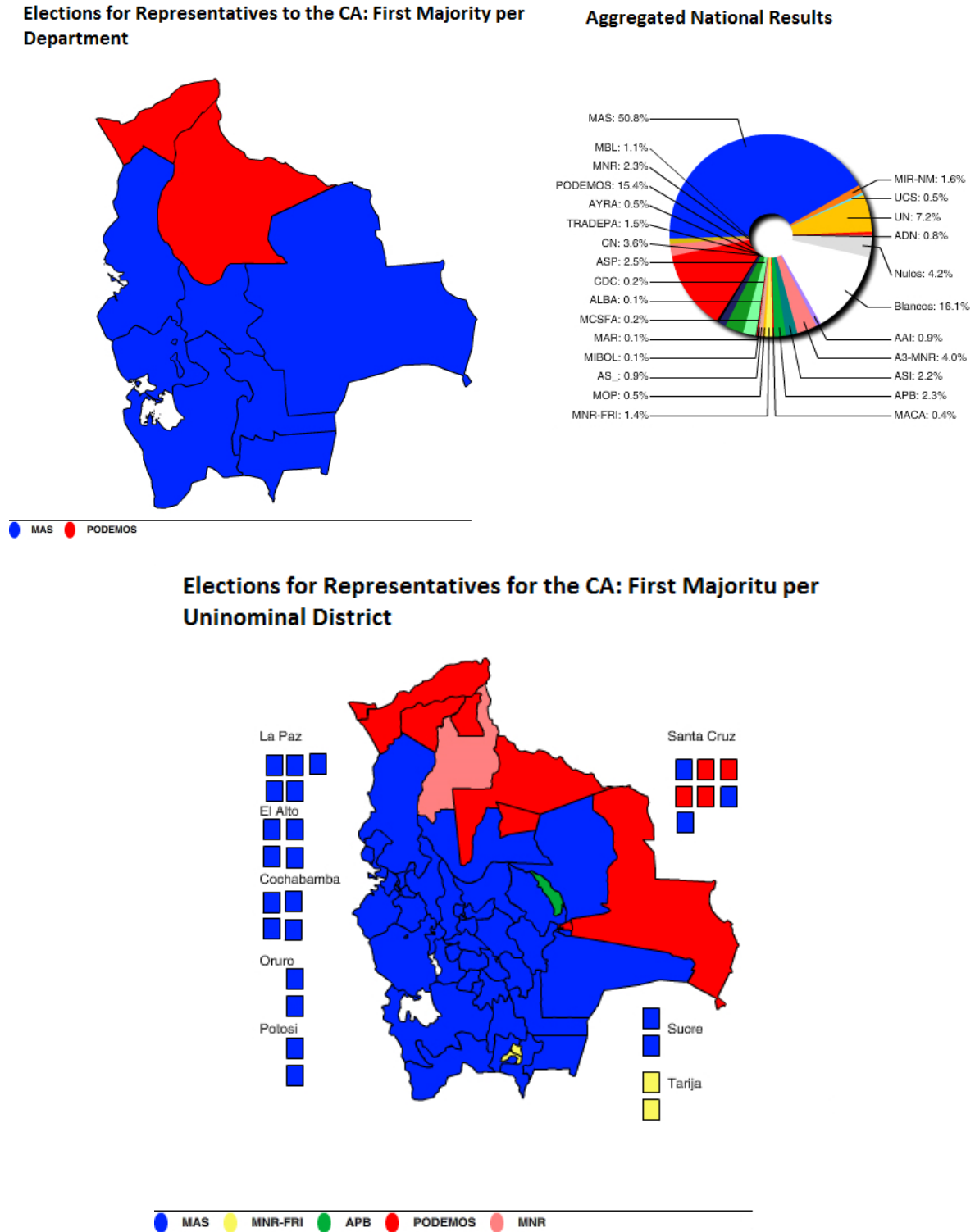
have funding apart from small contribution of business leaders. With these funds, we organised the campaign of 2005...but we lost! Then, just six months later we had the election of representatives of the CA. At this stage Tuto [Quiroga] was in a very bad financial situation. Then, powerful sectors of the *half-moon* offered to fund the campaign, but in exchange they were to decide who would be the candidates. The result was that inside the CA, around 60% of the representatives were not accountable to Tuto but to powerful sectors in Beni, Pando [and Santa Cruz]” (Interview with Carlos Böhr, 2013).

Jeanine Añez, a representative to the CA for the department of Beni, who ran under the PODEMOS ticket, expressed in a similar vein:

“...I never belonged to the rank and file of PODEMOS, neither my fellow colleagues from Beni, they were not part of PODEMOS...we were invited by them to represent the department...I never experienced pressure coming from the party’s leadership...On the other hand, we did feel pressure coming from the region in certain moments and regarding certain issues, especially regarding the issue of departmental autonomy” (FES-ILDIS, 2011; interview with Jeanine Añez).

Although some pro-indigenous organisations related to CONAMAQ also presented independent candidates, such as AYRA or MOP, the MAS-IPSP proved to be more successful than PODEMOS in *keeping its coalition together* (Gray Molina, 2013), as can be seen in Figure 34. For example, the citizen organisation of the hitherto president of the civic committee and recently elected Prefect of Santa Cruz, Ruben Costas, Autonomia para Bolivia or Autonomy for Bolivia (APB), decided to present its own candidates for the elections of constituents. APB pushed for a more extreme version of departmental autonomies.

**Figure 34 The Election of Constituents in Territorial Perspective, 2006**



Source: Own elaboration based on TSE/PNUD, 2013

PODEMOS decreased its electoral support from close to 30% in December 2005 to 15 % in 2006; whereas the MAS-IPSP only lost 3% of its share. Analysing this fact in conjunction with the presence of successful candidacies of departmental citizen organisations in the elections of prefects, it is clear that the civic-regional coalition was less stable than the indigenous-popular bloc. Furthermore, since the MAS-IPSP was in government, it exercised a powerful influence to the CA.

**Table 16 The Partisan Composition of the CA, 2006**

<b>Political Organisation</b>	<b>Number of Representatives</b>	<b>Percentage in the CA</b>
A3-MNR	2	0.78 %
AAI	1	0.39 %
APB	3	1.17 %
AS	6	2.35 %
ASP	2	0.39 %
AYRA	2	0.39 %
CN	5	1.96 %
<b>MAS-IPSP</b>	<b>137</b>	<b>53.72 %</b>
MBL	8	3.13 %
MCSFA	1	0.39 %
MIR-NM	1	0.39 %
MNR	8	3.13 %
MNR-FRI	8	3.13 %
MOP	3	1.17 %
<b>PODEMOS</b>	<b>60</b>	<b>23.52 %</b>
<i>UN</i>	8	3.13 %
<b>TOTAL</b>	<b>255</b>	<b>100 %</b>

Source: Own elaboration based on TSE/PNUD, 2013

Guillermo Richter was the head of the representatives of the MNR in the CA. He and other leaders of organisations with less representatives tried to mediate between the MAS-IPSP and PODEMOS. However, as he expressed in an interview:

“PODEMOS and the MAS-IPSP were clearly the most powerful stakeholders, making up more than two thirds of the CA. The rest of the smaller forces... managed to develop a strong democratic movement aimed at reaching a great national consensus. However, the MAS-IPSP and PODEMOS were not just powerful inside the CA, but the former administered the state and was linked to powerful social movements; whereas the latter was influenced by [powerful] conservative sectors of the regions...of the east and Tarija. The Executive branch and the social movements related to the MAS, sometimes contradicting the party

directives; influenced their representatives inside the CA” (FES-ILDIS, 2011, interview with Guillermo Richter).

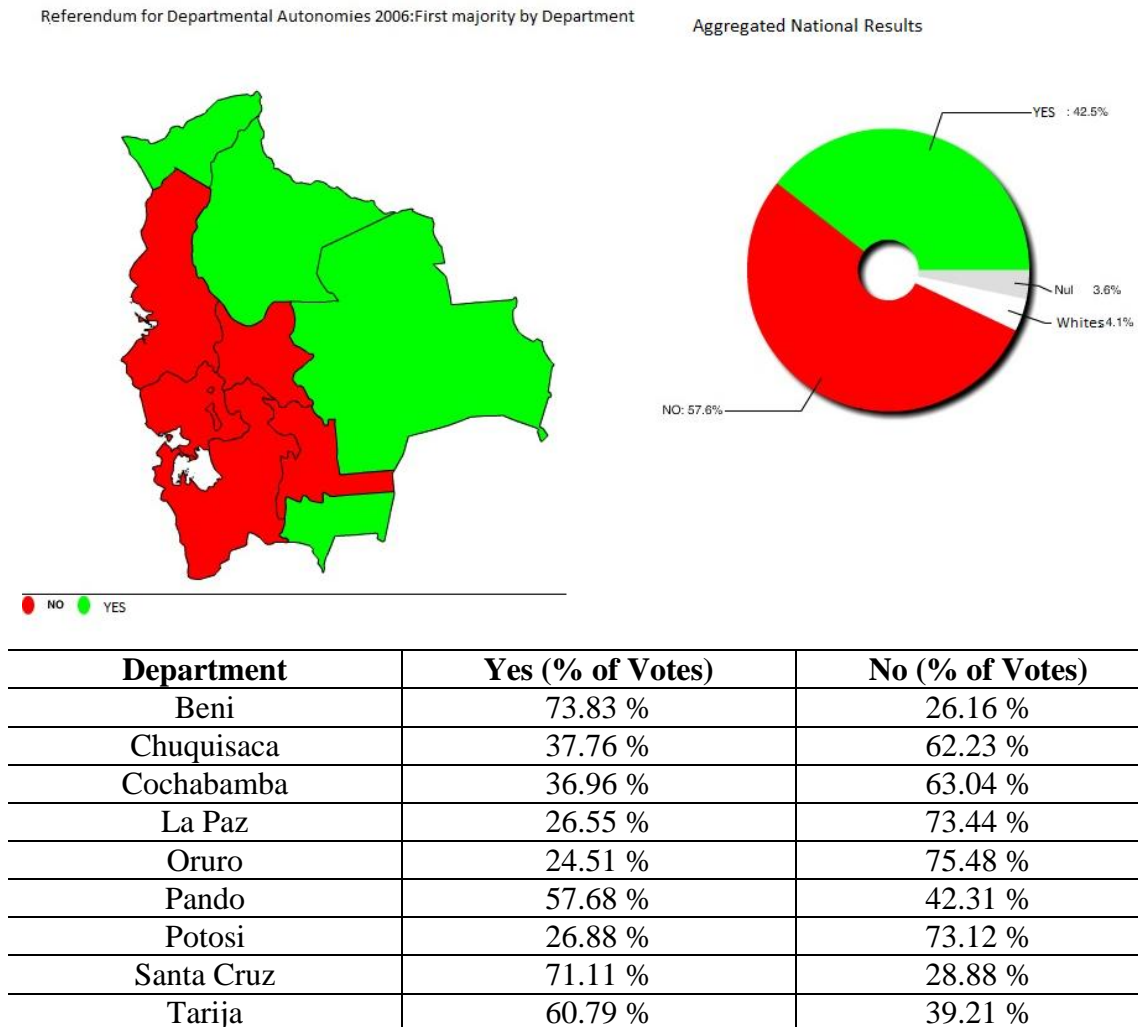
These external influences contributed to the polarisation of the CA, given the distribution of seats inside the CA, and the results of the referendum on autonomies. The MAS-IPSP obtained the majority of seats but not two thirds of the CA; whereas the population of the *half moon* opted for advancing towards a regime of departmental autonomies. The result of the referendum on autonomies polarised the agenda of the CA and the relations between the president and the pro-autonomy prefects even further; especially after Evo Morales stated that he would vote NO in the referendum because he “did not want autonomies for the oligarchies” (quoted by Ridriguez Ostria, 2011:6).

### **The Referendum on Autonomies and the Territorialisation of Polarisation**

More than 40% of the overall voters and a majority in the eastern lowlands voted for the adoption of departmental autonomies. Furthermore, the LCRDA established a binding mandate to the CA to devolve power to the departments that opted for it. Thus, the polarisation between the emerging legality and the new sources of legitimacy was integral to the CA from its very beginning.

The pro-autonomy agenda, furthermore, was supported by important pockets of the population within the departments in which the MAS-IPSP dominated, accounting for more than a quarter of the voters in the western highlands. Moreover, within the departments where the YES option won, at least a quarter of the population voted NO. In sum, each department became a microcosm reproducing an overall situation by which one part of the country, sometimes a majority, pushed for the re-legitimation of the state on the basis of the *January Agenda*; whereas the other opposed it, as shown in Figure 35.

**Figure 35 The Referendum on Departmental Autonomies and the Territorialisation of Polarisation**



Source: Own elaboration based on TSE/PNUD, 2013

The MAS-IPSP didn't have a comprehensive proposal for a new constitution. However, it adopted the proposal of the UP, which aggregated the different demands of social movements in a comprehensive constitutional project, whose main points expressed:

*The new state should have an inclusive and plurinational character, allowing for the construction of a shared country.*

*The branches of government should be reformed, as well as their mutual relationships and...independence, to guarantee their transparency and the control of corruption.*

*National independence and sovereignty shall be recovered from foreign governments....*

*Participatory democracy and the social systems of the First People's Nations should be deepened...as well as...*

*Communitarian democracy and justice, based on the customary norms of indigenous peoples.*

*We shall advance in the deepening and the achievement of the full swing of individual and collective human rights, including indigenous rights.*

*We shall re-organise the territory, in order to recognise indigenous autonomies as well as departmental autonomies.*

*A new economic model shall be implemented in Bolivia, to replace the system in place, whose application has had terrible consequences and.*

*We need a new model for the administration of renewable and non-renewable natural resources, to guarantee their sovereign and sustainable control, and.*

*Advance, towards a fair distribution and entitlement of land (Unity Pact<sup>91</sup>, quoted by Rodriguez Ostria, 2012).*

There was a key difference between the two blocs that emerged in the eve of the CA when in their relations with their constituencies. The MAS-IPSP adopted most of the proposals of the UP and kept a fluid relationship with it, without losing relative autonomy. At the same time, the UP also remained relatively autonomous from the MAS-IPSP, sustaining its capacity to mobilise and coordinate the collective action of an extremely fragmented landscape of indigenous and urban social movements.

PODEMOS was less able to capture and represent the demands of the civic movements of the eastern lowlands and, therefore, the social forces located behind the class and regional divides. Many regionalist sectors created their own citizen organisations, or preferred to act through the civic committees, to promote the pro-autonomy agenda. They did this without being linked to PODEMOS. These differences explain why the MAS-IPSP managed to sustain similar levels of electoral support between the elections of 2005 and the election of constituents; whereas PODEMOS could not sustain the same level of electoral support throughout the process, and did not posit itself as the vanguard of the pro-autonomy referendum campaign.

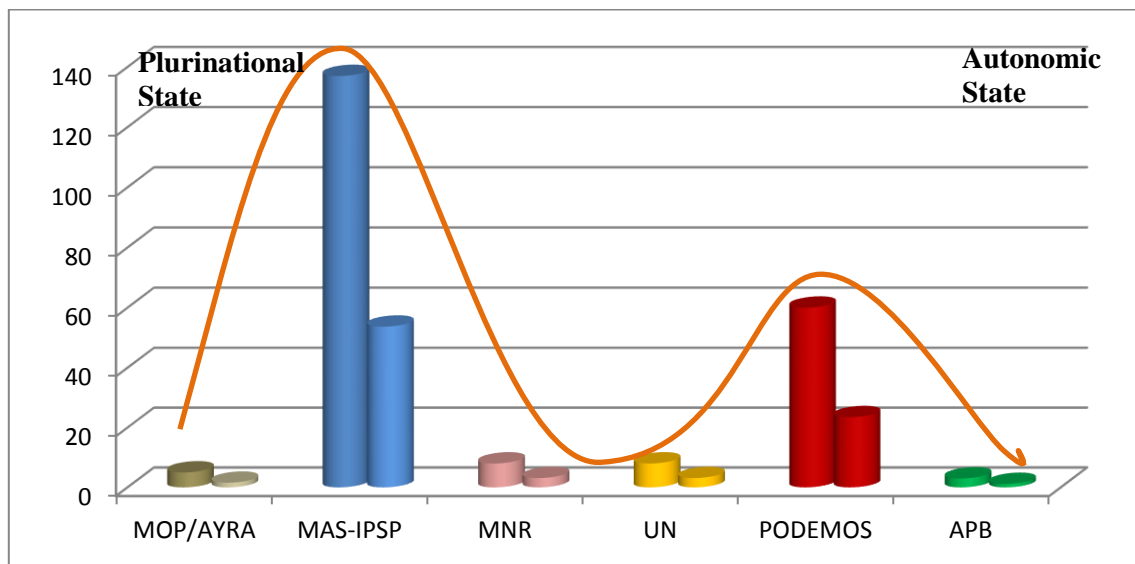
---

<sup>91</sup> See [www.constituyentesoberana.org](http://www.constituyentesoberana.org).

### 7.3 Imagining Bolivia: Between the Plurinational State and the Autonomic State

This section we will analyse, in the light of the legitimacy structure shown in Figure 1, the proposals for the re-legitimation of the state and political institutions, presented by the main forces represented in the CA. The analysis will be based on the ideological spectrum presented in Figure 36, which shows a continuum ranging from the most pro-indigenous and national-popular visions to the most pro-autonomist and pro-liberal proposals of how Bolivia should be in the future. These ideas were presented to the CA by the parties represented there, in the session in which the parties spelled out their *visions of the country*. The spectrum is weighted by the electoral strength of these parties.

**Figure 36 The Ideological Spectrum vs. the Weight of the Parties inside the CA**



The columns represent the number (left) and percentage (right) of representatives per party in the CA  
Source: Own Elaboration based on TSE/PNUD, 213 and TSE/Vice Presidency of Bolivia, 2011

I developed the spectrum by building comparative tables based on the archival transcripts of these debates and the official documents presented by the political organisations in the session in which the representatives stated their diagnosis of the key problems of the country, and then proposed solutions to them, at each level of the legitimacy structure (see Annex 2); namely: i) the political community – the nation and the state, ii) regime principles, iii) regime institutions, iv) local government, v) regime performance – the state

and the economy – and the political actors – parties and leaders. I present the results in the next section.

### **7.3.1 The Political Community: The Legitimacy of the Nation and the State**

Some constituents believed that the state didn't represent the social formation of Bolivia, because the legacies of colonialism systematically excluded the indigenous sectors from the processes of state-making and nation building. Consequently, the MAS-IPSP and other organisations close to the *katarista* tradition, such as the MOP and AYRA, timidly supported by the MNR, proposed the need to build a plurinational, plurilingual, communitarian and pluricultural state. The difference between the positions of AYRA and the MOP, and the one of the MAS-IPSP, was that the latter conceived the new state to be built upon the basis of the ancestral indigenous territories, religions, and cultural values, which should prevail in relation to *western* values. The MAS-IPSP advocated for equality between the religions and languages of the indigenous and non-indigenous sectors, reserving a special place for the peasantry as a constitutive pillar of the plurinational state. Closer to the centre of the spectrum, the MNR proposed complete equality between the different ethnicities and cultures under the banner of interculturalism, although it privileged the catholic religion as the official one. The MNR also emphasised the need for a *national project*, under the notion of the *Estado Social de Derecho*.

While the other forces acknowledged the plural composition of the Bolivian society, they rejected the idea of building a state with more than one nation. According to *UN*, the Bolivian elites, because of their political culture, were never able to build a *national project*. The diagnosis of *PODEMOS* was similar, but went further by pointing at corporatism and centralism as the causes of this problem. Finally, on the other extreme of the spectrum, *APB* identified the centralist character of the state and its elites as the root cause of the exclusion of entire regions such as Santa Cruz, and of the *incomplete* character of the Bolivian state.

Based on their diagnoses, the parties proposed different strategies for the re-foundation of the state and the nation. *UN* proposed to build a national project open to diversity; a project able to tackle poverty, inequality and exclusion through the promotion of the rule of law. Regarding religion, *UN* sustained that the state should be neutral, though not laicist, a point



in which *UN* coincided with *PODEMOS*, which proposed religious pluralism. *APB*, like the *MNR*, endorsed the need to sustain Catholicism as the official religion of the state. In reference to the issue of language, *PODEMOS* proposed that Bolivia should acknowledge the plurilingual character of Bolivia, while maintaining Spanish as the only official language, a point with which *APB* coincided, although recognising the need to give an official status to indigenous languages, within their respective areas of influence.

### 7.3.2 Regime Principles

Regarding the legitimacy basis of the regime, all parties pointed at the ethical problems of *pacted democracy*. *MOP* and *AYRA* stated that the reforms carried out during the neo-liberal period, such as the *PPL*, were just cosmetic and masked the colonial character of the Bolivian state; although many indigenous leaders took advantage of these reforms to fight exclusion. On the other hand, the *MAS-IPSP*, acknowledging the importance of communitarian democracy for indigenous peoples, deployed a more class-based and less culturalist critique to *pacted democracy*, according to which the system was captured by oligarchies that deprived popular sectors from a voice in the decisions regarding the property of natural resources.

On the other extreme of the spectrum, *UN*, *PODEMOS* and *APB* coincided in identifying a crisis of *pacted democracy*, due to the corrupt practices of the elites that led *traditional parties*, leading to the disenchantment of the general population with political parties. The *MNR*, the only surviving traditional party within the *CA*, recognised the need to complement representative democracy with institutions of participatory democracy, to give way to the *natural* forms of organisation and participation of society, which were suppressed by the monopoly of representation of the political parties since 1985.

Based on this shared diagnosis about the limitations of representative democracy, the parties expressed the need to establish new principles for a future political system. Freedom, equality, justice and solidarity can be identified as principles shared by all the parties. Beyond this consensus, one can identify important differences between the extremes of the spectrum proposing either a plurinational or an autonomic state. *MOP*, *AYRA* and to a lesser extent the *MAS-IPSP* proposed to constitutionalise the ancestral values and principles of the indigenous cultures such as the Andean trilogy *Ama Sua, Ama*

*Llulla, Ama Quella – do not steal, do not lie, do not be lazy*, Sumaj Q’amana – *Good Living or Vivir Bien*, which includes the values of complementarity, reciprocity and balance. They agreed on the need to combine participatory democracy with communitarian forms of self-government, allegedly embedded in the traditional norms of indigenous peoples. Departing from this common denominator, MOP/AYRA added the need for the constitutionalisation of the principle of self-determination for the indigenous peoples, whereas the MAS-IPSP added the need to include the principles of dignity, sovereignty and redistribution, associated with the party’s economic nationalism; whereas the *UN* retained the traditional liberal principles of representative democracy, particularly the endorsement of the rule of law, with which PODEMOS coincided but from a multiculturalist point of view. PODEMOS foresaw a constitution combining universal human rights, cultural pluralism and respect for the norms of indigenous peoples. APB, finally, proposed to elevate departmental autonomy to the level of a constitutional principle, along the respect for private property.

### **7.3.3 Regime Institutions**

Different actors questioned the institutional structure of the country. According to MOP and AYRA, the political institutions in place reproduced the colonial structures excluding indigenous peoples and, therefore, they were not representative and conducive to a fluid relationship between the government and the people of Bolivia. For the MAS-IPSP, since the institutions of *pacted democracy* did not reflect the social formation of Bolivia, the Bolivian population historically exercised, *de facto*, participatory and communitarian forms of democracy which had to be incorporated in the new constitution.

The MNR, going back to its revolutionary roots, shared the notion that the institutions of representative democracy, especially the monopoly of representation enshrined in previous constitutions, were not consistent with Bolivia’s reality, because they suppressed other highly representative organisations. This argument was fiercely opposed by *UN*, whose representatives criticised the process of corporatisation, and the confusion between participation and *participationism* that Bolivia was facing during the crisis of governance that led to the CA. The political culture of the Bolivian society and its elites, which favoured patrimonialism, presidentialism and centralism, were the key factors identified

by PODEMOS as the root causes of the inefficiency of state institutions, particularly the judiciary. Finally, APB pointed at centralism as the key explanation for the institutional decay of the country, although they believed that centralism operated through the monopoly of representation exercised by *traditional parties*. This, they believed, contaminated the judiciary and other institutions through the parliamentary election of their members.

These diagnoses gave way to an *explosion of creativity* in terms of proposals of institutional design. AYRA and MOP, and to a lesser extent by the MAS-IPSP, proposed the incorporation of the political institutions of indigenous peoples in the new constitution. These forces agreed on the need to have a unicameral legislative branch elected by the combination of elections and direct representation, through customary norms. The rest of the forces opposed this proposal and sustained the idea of the need to maintain a senate in place, which would be more important than before in the context of the adoption of departmental autonomies. Furthermore, in the views of PODEMOS and APB, the legislative branch should not be only constituted by the national congress but also by the representative assemblies of the autonomous departments and the municipalities. Finally, the MNR proposed a parliamentary system, whereas the MAS-IPSP and UN proposed to temper the supremacy of the executive. The former suggested giving the legislative the prerogative of proposing 50% of the cabinet members; whereas the latter suggested to differentiate the positions of the head of state and the head of government.

Regarding the judiciary, MOP, AYRA and the MAS-IPSP proposed to institutionalise legal pluralism, namely equal hierarchy between the ordinary judicial system and the communitarian system of justice, based on indigenous customary norms and administered by indigenous authorities. According to UN and PODEMOS, notwithstanding the importance of institutionalising the indigenous system of justice, this should complement but not compete with the national legal and judicial systems. Finally, on the other extreme of the spectrum, APB proposed to decentralise the judiciary at the departmental and local levels, resembling a federal design.

All parties proposed a more direct electoral method to elect the president, which included a second-round if needed. It is clear, thus, that all parties rejected the practice of forming

parliamentary alliances to elect the president, prevalent during *pacted democracy*. According to PODEMOS and APB, the executive branch would not just be represented by the central government but also by departmental governors and municipal mayors.

Finally, four political forces proposed the creation of a fourth branch of government. AYRA proposed the creation of a fourth branch made of indigenous spiritual leaders, which would be in charge of overseeing other state authorities. The MAS-IPSP proposed the creation of a social control body, formed by members of civil society, performing a similar function of the former. A similar function should be exercised, according to *UN*, by a technocratic entity called the transparency and accountability branch, formed by the ombudsman, the electoral court, the attorney general and other institutions dispersed at that moment. Finally, APB proposed the creation of an electoral branch which would be the first branch of the state, highly decentralised at the departmental and municipal levels.

#### **7.3.4 Local Government**

Either the advancement towards a plurinational state or towards an autonomic state would deepen and reorient the process of decentralisation. The question was, however, which territorial level deserved to receive more resources, responsibilities and legitimacy, and based on which criteria? The proponents of the plurinational state – MOP, AYRA, MAS-IPSP and to a lesser extent the MNR – departed from the idea that indigenous communities always exercised a *de facto* self-government. Furthermore, as the 169 ILO Covenant recognised indigenous self-government, the new constitution should institutionalise this right. The MAS-IPSP, taking issue with the PPL and its non-participatory origins, stated that since the indigenous and popular sectors were not represented in the 1994 constitutional reform, they should deepen the decentralisation process by creating provincial, regional, and indigenous autonomies. Although *UN* acknowledged that centralism had been a historical reality in Bolivia; the same could be said of the presence of centrifugal forces. However, PODEMOS and APB stated that centralism was to be blamed for the country's high inequality and for the exclusion of entire productive regions such as Santa Cruz. Furthermore, they claimed that the legitimacy provided by the referendum on departmental autonomies should be automatically accepted by the CA.

Based on these justificatory arguments, different types of decentralisation were proposed to make the state more legitimate at the local and intermediate levels. MOP and AYRA proposed a radical political decentralisation for the indigenous people's territories, to fulfill their right to self-government. AYRA even proposed the (re)territorialisation of Bolivia based on the historical territories that indigenous peoples inhabited before the Spanish conquest. The MAS-IPSP proposed to deepen the process of decentralisation at the departmental, provincial, municipal and at the level of indigenous territories. Although the MNR and *UN* acknowledged the advantages of decentralising Bolivia at the departmental and municipal levels, they also underlined the importance of preserving the unitary character of the country.

Finally, while PODEMOS and APB also endorsed the idea that decentralisation would take place within the framework of a unitary state; they argued for the *superior quality* of departmental autonomies, because they were legitimised by a referendum. APB, moreover, expressed that it should be constitutionally acknowledged that the unity of Bolivia resided in the unity of its departments, which in turn constituted the basic components of the Bolivian state.

### **7.3.5 Regime Performance: The State and the Economy**

The role of the state in the economy was an important point of contention between the parties, although they all acknowledged the weakness of the Bolivian economy. MOP, AYRA, MAS and the MNR considered that the Bolivian economy was weak because it suffered from *dependency*, traceable to the colonial roots of the Bolivian political economy. On the other hand, *UN* and PODEMOS, drawing on the 2005 UNDP Human Development Report<sup>92</sup>, considered that Bolivia had a narrow-based economy. PODEMOS suggested that the narrow-base economy was related to Bolivia's centralism and its inefficiency in tackling poverty, inequality, and protecting property rights. Finally, APB considered centralism as the root cause of the inefficiency of the Bolivian state as a provider of public goods.

---

<sup>92</sup> La Economía más allá del Gas, Coordinated by George Gray Molina.

Moreover, for MOP and AYRA, the problem of economic dependency was directly related to exclusion and racism suffered by the indigenous sectors; whereas for the MAS-IPSP, the problem was that indigenous and popular sectors suffered not just of ethnic exclusion but were also excluded from the benefits of the exploitation of natural resources. For the MNR, dependency was never entirely overcome, despite the attempts to industrialise the Bolivian economy after the Revolution of 1952.

Regarding the solution to these problems, the proposals varied widely between the parties. According to MOP, the Bolivian economy should combine the communitarian and free market systems; furthermore, AYRA suggested that the Bolivian economy should mirror the indigenous community called *ayllu*<sup>93</sup>. The MAS-IPSP also endorsed the idea of a plural economic system in which the state, the market and an enhanced communitarian economy should connect to fulfill the principle of the *Good Living* or *Vivir Bien*. The state, according to this proposal, should be under the command of a strong central government, able to *retake* the property of the *strategic* sectors and natural resources.

According to the MNR, Bolivia should have a socially-oriented market economy, in which the state must secure universal access to affordable energy and promote the investment in the rural and the agro-industrial sectors of the economy. In a similar vein, *UN* proposed a development model in which the market should serve the economy and not the other way around. Bolivia should transit, then, towards a broad-based economy in which the state should connect the popular/informal and the modern/formal sectors of the economy.

On the other extreme of the spectrum, PODEMOS and APB had a paradoxically similar position as the MAS-IPSP, regarding the need for a plural economic model. However, the economy should adapt to the different characteristics of each region. The other similarity between the two extremes of the spectrum relates to the importance they assigned to the management of natural resources. According to PODEMOS, the national, the departmental and municipal levels, should have a shared control over the renewable and non-renewable natural resources. Each level could enter in partnerships with the private sector for their management and exploitation. To APB, furthermore, the state should guarantee and

---

<sup>93</sup> *Ayllu* is the traditional form of social and political organisation based on the bases of kinship, prevalent in the Andean Aymara and Quechua Cultures of the Bolivian western highlands.

promote the individual economic initiatives and abstain to carry out any type of control over them.

### **7.3.6 Political Actors, Parties and Leaders**

All of the forces represented in the CA shared the idea that the country experienced a profound crisis of representation and leadership. According to MOP and AYRA, politicians and political parties had historically excluded the vulnerable sectors of society through clientelism, nepotism, corruption and other undemocratic practices. The MAS-IPSP stated that *pacted democracy* excluded the peasantry and the popular and indigenous sectors from the decisions regarding the privatisation of natural resources. For the MNR, the monopoly of representation exercised by political parties suppressed other *natural organisations* and forms of representation. Similarly, PODEMOS and APB stated that politicians and political parties monopolised power and failed to represent the citizenry. Finally, *UN* identified the causes of this crisis in the undemocratic practices, values and beliefs within these political elites.

Based on these diagnoses, the parties vaguely proposed to advance towards different forms of representation. MOP, AYRA and the MAS-IPSP stressed the need to institutionalise the forms of representation and leadership of the indigenous communities, while opening more channels to direct democracy and fewer incentives for parliamentary coalitions. Institutions of direct democracy were as well proposed by the MNR and PODEMOS; whereas APB proposed to give every citizen the right to represent the population without belonging to a political party. Finally, *UN* called for a structural change in the political culture of the country, but without advancing concrete proposals.

In sum, the forces represented within the CA deployed discourses for the de-legitimation of the state and political institutions as they were structured in 2006-2007, before presenting discourses for the re-legitimation of the state and political institutions at different levels of the legitimacy structure. I analysed such discourses, against the background of an ideological spectrum capturing the extremes represented by i) a plurinational state and ii) an autonomic state. This analysis leads me to conclude that, although the CA was born polarised, and the MAS-IPSP and PODEMOS were the

protagonists of fierce political struggles, they did not occupy the most extreme positions in the spectrum<sup>94</sup>.

This explains why these political organisations were electorally successful. They had a better reading of the situation and dynamics of the structure of cleavages, before building coalitions articulating, at least, two social forces separated by these divides, behind constitutional proposals. The MAS-IPSP proposed to build a plurinational state to reverse the historical exclusion of indigenous peoples, while also addressing the demands for a return of the state to the control and command of strategic sectors of the economy, whose output should be redistributed in favour of the impoverished urban and rural masses. On the other hand, PODEMOS proposed the adoption of departmental autonomies, in the framework of a liberal agenda for the deepening of political, civil and especially property rights, in the framework of the rule of law. The above represented the interests of the urban middle class and the private sector.

While the relationship between the MAS and its basis proved to be more fluid and organic, the national leadership of PODEMOS, strongly linked to the parties of *pacted democracy*, proved less able to establish a fruitful relationship with the emerging leaders of the *half moon*. In any case, these two agendas for the re-legitimation of the state and political institutions proved to be in enough tension as to fail in reaching a constitutional consensus, as will be analysed in Chapter 8.

## 7.4 Conclusions

The present chapter analysed how and why the gap between legality and legitimacy acquired a different dynamic after the general elections of 2005. The political system acquired a renewed legitimacy emerging from the *October* and *January Agendas* through the call for early elections, the novel elections of prefects, the election of representatives for the CA and the referendum on departmental autonomies. These developments, however, were not matched by similar developments in the legal system. The result of this

---

<sup>94</sup> These were occupied by smaller forces such as APB on the one extreme; and MOP and AYRA on the other.



dynamic was that legality was progressively *accommodated* to follow these legitimisation impulses.

This process of re-legitimation that started after the collapse of the party system of representation was only resisted by the flexible structure of the MAS-IPSP. Later, local and regional forces formed in the aftermath of that collapse, and opposed to the *October Agenda*, re-grouped under the umbrella of PODEMOS and the *January Agenda*. Finally, the general elections of 2005 marked an inflexion point in which fragmentation gave way to polarisation.

The re-foundation of a plurinational state was supported by a majority; nevertheless, it didn't have enough support to completely curb the agenda proposing an autonomic state. Furthermore, since the constitution established the need for a two thirds majority to call for a CA, the opposing parts were in an uncertain situation. It would have been easy for a consensus to fail at this point, but because the parts abided the 2004 constitutional rules, they managed to reach it. Despite the fact that the legality of the 2004 constitutional reform was highly dubious, it was because the parties stuck to the two thirds rule, that the approval of the LCCA and the LCRDA were firm steps towards a potential closure of the gap between this proto-legality and the emerging legitimacies.

However, the polarisation of the electorate produced a divided congress and a divided executive, which complicated the polarisation dynamics. The MAS-IPSP proved to be more flexible and adaptive to this situation, by sustaining strong links between the government, the party and the social movements constituting the *Unity Pact*.

On the other hand, the national leadership of PODEMOS was less able to represent the demands of the *half moons's* civic movements, many of which created their own political expressions. This difference explains why the MAS-IPSP managed to sustain similar levels of electoral support between the elections of 2005 and the election of constituents; whereas PODEMOS could not sustain the same electoral strength throughout the process.

The gridlock experienced by congress before the approval of the LCCA replicated inside the CA. Once again, the MAS-IPSP won the majority of seats within the CA but not the two-thirds. The situation of gridlock was consolidated even further in the wake of the

outcome of the referendum on autonomies. Against this background, the forces represented within the CA deployed discourses for the de-legitimation of the state and political institutions as they were structured by 2006-2007, before suggesting proposals for their re-legitimation, at different levels of the legitimacy structure. Despite the fact that the MAS-IPSP and PODEMOS were the protagonists of fierce political struggles, they were not the most extreme proponents of both projects for the re-legitimation of the state which were upheld by smaller organisations.

These forces were electorally successful because they were not at the radical extremes. This was, in turn, because they managed to get a better reading of the country's cleavage structure and its dynamics, before building coalitions in which at least two sectors separated by these cleavages were represented in a constitutional project. The MAS-IPSP, based on the UP project, upheld the proposal to build a plurinational state in which the historical exclusion of indigenous peoples could be reversed; acknowledging, however, the demands of urban popular sectors and the peasantry for the return of the state in the socioeconomic sphere. On the other hand, PODEMOS proposed advancing towards departmental autonomies; however, within the framework of a liberal proposal for the deepening of political and civil rights – particularly property rights – and the rule of law, of high interest for the urban middle classes.

Both organisations, however, failed to tackle one of the cleavages in their strategies to form coalitions. While the recognition of indigenous rights was acknowledged by PODEMOS; it was framed in a liberal multiculturalist version, different from what was demanded by the main indigenous organisations. The approach of the MAS-IPSP to the issue of autonomy was also at odds with the demand of the civic movements of the *half moon*. These limitations challenged the internal cohesion of the parties, as society polarised. However, the blocs deployed strategies to expand their respective coalitions through legitimisation tactics. This would later seriously impact the trajectory of the dynamics of the gap between legality and legitimacy.

## Chapter Eight

### In the Name of Legitimacy

*“Si se logra el gran armisticio nacional, la Constituyente habrá cumplido con creces su misión, pero también la convención será el lugar de materialización de las nuevas relaciones de fuerza en el país y, por lo tanto, de constitucionalización de las principales medidas tomadas por el gobierno.”*

Alvaro García Linera; Vice-President of Bolivia during the Constituent Assembly,  
interviewed by Stefanoni et al. 2008:63

*“Que las cortes no te quiten tu derecho a votar.”*

Graffiti, painted in the streets of La Paz days before the 2008 Recall Referendum

In the previous two chapters, I analysed the dynamic relationship between two emerging sources for the re-legitimation of the state and the structure of legality in Bolivia in two instances: Firstly, between 2000 and 2005, when the political system experienced a spiral of de-legitimation which eroded the constitutional structures. I analysed, secondly, the relationship between a re-legitimised, though polarised political system, and a legality that was *accommodated* to follow these impulses. I addressed the relationship between legality and legitimacy in the spheres of i) electoral politics – *the ballot box*, ii) the patterns of social protest and conflict – *the streets* – and iii) the patterns of conflict and consensus-building within the parliament and the CA itself – *the forum*.

In the present section I will argue that the state crisis evolved towards a divided structure of legitimacy in the context of a legal vacuum. This dynamic of the gap between legality and legitimacy, in turn, installed itself as the driving force of the state crisis, carrying important consequences for the intensification of political conflict and violence. I will focus my analysis on the period between the beginning of the CA, passing through its demise and ending in the parliamentary agreements of October 2008 which shaped the final outlook of the constitution approved in the referendum of January 2009.

## **8.1 The Gap between Legality and Legitimacy within the CA: Between the Forum and the Streets**

### **8.1.1 The Legal Paradoxes of the CA**

Soon after the CA was installed, two intertwined legal paradoxes obstructed its development. As mentioned before, to give way to the approval of the LCCA, the constitutional reform of 2004 stated that a special law should call the CA, to “be approved by two-thirds of the present members of Congress” (Art. 232, Bolivian Constitution, 2004). After a complex process of negotiation, congress approved the LCCA by unanimity. Hence, following a legal reasoning, the LCCA was a success in terms of bridging the gap between legality and legitimacy, because it complied with the procedural requirements of Art. 232 of the constitution; while it also bridged the divide between these contending legitimacies.

The LCCA stated that the “Constituent Assembly will approve the text of the new Constitution by two-thirds of the present members of the Assembly, in accordance with Title II, Part IV of the current [2004] Constitution” (Art.25, LCCA). However, there was an unresolved issue related to the nature of the CA as the source of the new legal order, as the original and plenipotentary, contrary to the derivative or secondary nature of the CA. Carlos Böhr, from PODEMOS, warned his colleagues during the debates: “Is there any sense in debating amongst us, who holds an eminently derivative power...Are they [the constituents] going to abide by those rules? Of course they won’t!” (Historical Encyclopaedia of the Bolivian Constituent Process, 2011). According to Böhr, the experience of other CAs in Latin America taught us that none of them abided by the rules set up by the law that was supposed to regulate them. Nevertheless, this did not mean that the CA could really re-found the country, change its borders, withdraw the basic human rights legally enshrined following international treaties, etc. In short, the role of the CA was the “institutional reform of the state” (Ibid).

Different sectors within the MAS-IPSP did not agree with the second point made by Böhr. President Morales expressed that the CA would have “unlimited power, [and that it would never be subordinated] either to parliament or to the executive” (quoted by Rodriguez Ostria, 2011:158). Indeed, it was a constitutional conundrum to decide if a law approved

by a constituted power, namely the legislative, could be superior to the internal regulations of the CA, a body in charge of writing a new constitution, which in turn is superior to the law. Since the MAS-IPSP had a majority inside the CA, its representatives pushed for approving an internal norm by which, contrary to what was expressed in Article 25 of the LCCA, the new constitution would be approved by an absolute majority and not by a two thirds majority.

The MAS-IPSP claimed that the CA was the ultimate source of legitimacy, and since they held the majority within the CA, they had more legitimacy. The opposition fiercely resisted such an opinion, basing its arguments on the LCCA, namely using the argument of legality. To complicate things even further, the representatives of the *half moon* held the position that the demand for departmental autonomies carried superior legitimacy and legality than the claims of the MAS-IPSP. This was argued because their legitimacy derived directly from the popular mandate of a referendum, carried out in accordance to the LCRDA. After intense internal debates, the majority in the coalition led by the MAS-IPSP, supported by the UP, decided to push for the approval of the new constitution by absolute majority. The reaction of the opposition forces was to abandon the CA and to return to the streets.

PODEMOS, the prefects, the civic committees and MPs of the *half moon* organised protests in early September. The response of the UP was to hold a massive gathering reaffirming the foundational and plenipotentiary nature of the CA, to which the *half moon* responded by calling for departmental strikes (Ibid). After a couple of weeks, the MAS-IPSP and the UP went a step back and proposed that absolute majority would approve each article; whereas two thirds would approve the overall text. Once again, the opposition rejected the offer. Finally, the MAS-IPSP used its majority to approve its proposal; whereas 89 members of the opposition began hunger strikes in December 2006. The prefect, civic committee of Santa Cruz and other authorities called for a new *cabildo*. Allegedly one million people gave a mandate to the departmental government to draft an autonomic charter, which had to be approved in a future departmental referendum.

The majority inside the CA claimed to have an alleged superior legitimacy, which allowed them to impose their vision of the country on the minority; whereas the latter, claiming a qualitatively superior legitimacy, withdrew from the CA to crystallise their claims in the

form of departmental statutes. Both parts bypassed the legal rules regulating their interactions within the CA. As the gap between legality and legitimacy reproduced within the CA, polarisation extended to the streets.

### 8.1.2 Shall we take this outside? Society against Society

A growing sense of uncertainty dominated the public sentiment. A study carried out by UNDP during December of 2006<sup>95</sup> concluded that the CA and the issue of departmental autonomies constituted “two imaginaries that united but at the same time divided the Bolivian population [and that], they could lead to an accelerated cycle of social, regional and political confrontation” (HDRB, 2007:90). The UNDP also carried out a survey in the cities of Santa Cruz, Cochabamba, La Paz, Tarija and El Alto, to measure the public opinion on different issues related to the political conjuncture.

As shown in Table 17, uncertainty and fear about the conflictive situation of the country, its territorial integrity and the future of democracy were scoring high, especially in Santa Cruz and Tarija, a fact that would be important to explain the final outcome of the crisis. With the CA in gridlock, the issue of autonomy became more contentious.

**Table 17 The Levels of Uncertainty and Fear regarding the Political Juncture by December 2006 (in %)**

City	Important or high levels of concern about the future of the country	Important or high levels of concern about the unity of the country	Important or high levels of concern about the future of democracy
El Alto	58%	60%	59%
La Paz	45%	50%	50%
Cochabamba	58%	60%	59%
Tarija	65%	66%	72%
Santa Cruz	54%	79%	78%
<b>Total</b>	<b>54%</b>	<b>54%</b>	<b>63%</b>

Source: Own Elaboration based on The Human Development Report for Bolivia (UNDP, 2007)

<sup>95</sup> When the CA was in a stalemate related to the 2/3 issue.

The study also demonstrated that departmental autonomies were seen as sources of “disunion, separatism...conflict and confrontation in the eastern highlands. Highlanders held this negative view of autonomies because of the inequality that would generate between [the autonomous departments] and the poorest departments of the country” (Ibid:90). For lowlanders; on the contrary, autonomy basically meant “to own what we produce” (Ibid).

In December 2006, following the steps of the *half moon*, the prefect of Cochabamba, Manfred Reyes Villa, considered that his department should revise the decision adopted by a majority that voted for the No option in the referendum on autonomies (63%). Reyes Villa then called for a new departmental referendum on autonomies, expecting a positive response. The decision was clearly illegal, because the call for a departmental referendum on autonomies was not in the prerogatives of the prefect. Furthermore, the election of prefects was carried outside legality, in the first place.

Nevertheless, since Reyes Villa held important levels of popular support, he justified his call for a new referendum on this legitimacy. On 11<sup>th</sup> January 2007 thousands of coca growers, peasants and popular sectors of the outskirts of Cochabamba advanced towards the city centre, calling for the resignation of the allegedly corrupt prefect. These social sectors later proceeded to burn the building of the prefecture in order to stop the referendum. In response, parts of the urban population organised themselves in *self-defence committees*. Armed with stones and sticks they confronted the peasantry. A weak police force failed to separate the groups, resulting in a confrontation in which three people died and 450 were injured (Lohman and Greca, 2007; *Los Tiempos*, based on data of the Human Rights Commission of Cochabamba).

The importance of this episode for this research is threefold. Firstly, because of its geographic location at the centre of the country, between La Paz/El Alto and Santa Cruz; Cochabamba became a micro-cosm condensing the national dynamics of conflict. The middle classes of urban Cochabamba supported Reyes Villa and the *half moon*; whereas the outskirts of the city and rural Cochabamba, particularly the Chapare, constituted the strongholds of the MAS-IPSP. In fact, between 2006 and 2008 the Cicic Committee of

Cochabamba organised 22 strikes against the central government; whereas social sectors supporting the Morales' administration organised 17 roadblockades (Miranda, 2012).

Secondly, as social conflict shifted from a state-society dynamic towards a society-society dynamic, the intensity of political violence increased. Since 2000, social mobilisation was directed towards the central or the departmental levels of government, in the form of protests. In January 2007, however, the peasant sectors that mobilised against the prefect, were confronted by the urban population. Thirdly, social conflicts and protests progressively moved away from La Paz, adopting a decentralised pattern, after years of being concentrated at the political centre.

After the violence in Cochabamba, the MAS-IPSP proposed a new formula to solve the issue of the two thirds. Negotiations finally led to an agreement reached on 16<sup>th</sup> February 2007. This established that the final draft approved by the thematic commissions of the CA would be approved by absolute majority, as well as the draft project of the constitution. The approval of each article in detail, however, would be passed by a two-thirds majority of the plenary and, in the event of an impasse, the articles should be subject to a referendum.

In March 2007, the plenary of the CA met for the first time to discuss the substantive issues analysed in Section 7.3. From March onwards the constituents visited every department of Bolivia. According to Rodriguez Ostria, "this was the moment of highest legitimacy for [the CA] that was starting to devaluate in the eyes of the citizenry" (2011:12).

### **8.1.3 Haunted by the Long Arm of History?**

The volatile behaviour of the MAS-IPSP, regarding the issue of the two-thirds, created scepticism and mistrust inside the opposition. The opposition, from there on, started to behave less as a party upholding a veto power and more as a pressure group interested in boycotting the CA. Because of the Civil War of 1899 discussed in Chapter 3, La Paz became the permanent seat of the executive and legislative branches of government. Because the CA of 2006 took place in Sucre, civil society organisations and the mayor of the city organised an *Interinstitutional Committee*, to demand a return of the mentioned branches of government to Sucre.



This Committee allied with the leadership of the *half moon*, including its Civic Committees, Mayors, MP's and the constituents of PODEMOS in the CA. In March 2007, a representative from Santa Cruz and PODEMOS introduced the demand for the return of the branches of government to Sucre, the *Capital*, in the agenda of the CA.

The populations of La Paz and Sucre took the issue seriously and went to the streets. In July 2007, the mayors of La Paz and El Alto, the representatives of La Paz in the CA – including many of PODEMOS – and different civic organisations of both cities called for a *cabildo*, aimed at dwarfing the *Cabildo del Millon*. Under the moto: *La Sede no se Mueve* – *the seat* [of government] *shall not move*, two million people allegedly gathered in the city of El Alto demanding the withdrawal of the issue of the capital from the CA debates. In response, Sucre held yet another *cabildo* days later, attended by the prefects and civic committees of the *half moon*.

Was the CA haunted by the long arm of history and the old rivalries between Sucre and La Paz? The answer is no because neither Sucre nor La Paz were the same powerful economic and political centres as a hundred years before. Society had changed. It was the impact of social changes on the historical cleavages, and the way in which they fed into the strategies of legitimation of the contemporary blocs in conflict, that explained why the issue re-emerged in the political agenda. The re-enactment of the old conflict between La Paz and Sucre was actually a way of using history as a proxy legitimation device, by the new coalitions in conflict.

The demand of Sucre would not have been taken seriously without the support of the leaders of the *half moon*, especially Santa Cruz, which was the source of the *January Agenda*. On the other hand, the response of La Paz would not have been so assertive without the support of the population of El Alto, the source of the *October Agenda*. As in the case of the demand of Sucre, the fact that the two million supporters of La Paz gathered in El Alto, is very telling of the fact that *behind the apparent repetition of history*, what was happening was the product of the impact of changing socio-political conditions in the structures of legality and legitimacy. In sum, after a hundred years of social and political change, El Alto and Santa Cruz, the focal points that captured the demographic manifestations of intense social changes in the last decades, established themselves as the

new agenda setters. The role of legitimization in this conflict explains why the issue of the seat of government re-installed itself at centre stage. While the civic-regional bloc of the *half moon* gained an ally in the city of Sucre, including its popular sectors; the MAS-IPSP gained allies in the middle and upper sectors of La Paz.

Under such conditions, a new constitution would not be ready for the 6th of August, the deadline established by the LCCA. Hence, after the struggle surrounding the original or derivative nature of its power, the facts on the ground proved that the CA was not original and plenipotentiary. A consensus between the MAS-IPSP and PODEMOS, in congress, extended the period of sessions of the CA until the 14<sup>th</sup> of December.

Pressured between the forces of La Paz and Sucre, the MAS-IPSP decided for the support of La Paz/El Alto and used its majority to rule out the issue of the capital from the CA debates, in August 2007 (Ibid). Soon after, the local population literally besieged the CA. Representatives of Sucre had appealed the decision in Sucre's district court, which in turn "instructed the [CA] to discuss the issue of the Capital, creating manifestations of joy in Sucre" (Ibid:13). In response, the CSUTCB called for a *Social Summit* in Sucre, where thousands of indigenous and peasants from rural Chuquisaca and Potosi declared themselves in open disobedience with the court's decision. They declared *a state of emergency* and organised *defence committees* to secure the approval of a new constitution. The MAS-IPSP, then, dismissed the decision of the district's court.

Hence, as was expressed to me by Luis Revilla, current Mayor of La Paz, and one of the main organisers of the *La Sede no se Mueve* campaign, the main factor behind the CA's decision to avoid debating the issue of the seat of government were more related to the balance of powers at that moment, than to historical forces. According to Revilla:

"The CA handled the issue of *capitalia plena* or the seat of government as it did, because La Paz had more representatives inside the CA, more population and more political power than Sucre; as a way to finally solve the issue, Sucre was granted, in Article 6 of the new constitution, the official title of the capital of Bolivia" (Interview with Luis Revilla, 2013).

Vice President García Linera made a final attempt to save the CA, meeting the president of the civic committee of Santa Cruz, Branko Marinkovic, offering to call for a new CA.

However, Marinkovic rejected the offer “because the road would be *too complicated*, with *too many changes and uncertainties*” (García Linera quoted by Rodríguez Ostría, 2011:16).

#### **8.1.4 The Fall of the Constituent Assembly**

By November 2007, the government in coordination with the UP, prepared a constitutional draft outside the CA. The civic committees and prefects of the *half moon* increased their pressure by supporting the radicalisation of the *Interinstitutional Committee*. A decision adopted by the Ministry of Economy, by which the resources that the departments received from the new Direct Tax on Hydrocarbons were redirected for social benefits for the elderly, increased the tensions (Bonifaz, 2011). García Linera called for the social movements to defend the CA, “Let’s not leave [the CA] to be kidnapped by a political minority...The people...shall defend this democratic conquest, the most important one in the last fifty years” (García Linera quoted in *Los Tiempos*, 8 of November 2007). Many social movements marched to Sucre to *defend* the CA; while the local population was preparing to *receive them*.

In response, the *half moon* announced that if the CA did not deliver the full adoption of autonomies, they would apply it *de facto*. The population of Sucre gathered outside the building of the CA to stop the sessions until the issue of the capital was reinstalled in the debate. The MAS-IPSP and the executive branch took over the situation and instructed their constituents to reinstall the CA in another building, the *Glorieta Palace*, home of a military academy. The constituents of PODEMOS, the MNR and part of the *UN* did not attend the session under the argument that “it was illegal” to deliberate in a military precinct (Ruben Dario Cuellar quoted by Rodríguez Ostría, 2011).

Thousands gathered outside *La Glorieta* to stop the CA. Military units blocked their way and three protesters died. The CA, then mostly consisting of representatives of the MAS, approved a draft constitution without debating a single article. The 27<sup>th</sup> of November, congress – without the presence of the opposition and surrounded by social movements – decided to deliberate in another location of the country. The CA then moved to Oruro, one of the strongholds of the MAS-IPSP; where they read the articles, some of which were changed in a *harmonisation session* in La Paz. Finally, the 9<sup>th</sup> of December, 164 out of 255 constituents approved a text made of 411 articles. The leaders of the *half moon* announced

that they would not abide by an illegal constitution (Ibid). The 14<sup>th</sup> of December the president signed the new constitution and a massive celebration took place in La Paz. The same day, the so-called provisional autonomic commission of Santa Cruz delivered their draft of *Autonomic Charter* for approval in a future referendum; a decision later followed by the other three departments of the *half moon*.

In sum, the CA failed to close the gap between legality and the two legitimacies in conflict. Even though the forces within the CA were highly polarised, this was not the key explanatory factor for its failure. Firstly, as analysed previously, the MAS-IPSP and PODEMOS did not occupy the extremes in the ideological spectrum within the CA. Secondly, the size of both forces was like just six months before the CA, when they were elected to parliament in 2005. Moreover, this polarised congress approved the LCCA and the LCRDA, in accordance to the 2004 constitution. Under similar conditions of polarisation and gridlock, the MAS-IPSP and PODEMOS managed to approve the above-mentioned laws by unanimity. Finally, both parts were conscious that the electoral rules inside the LCCA, would probably reproduce the balance of powers within the CA. Once again, then, a clear majority would be in a dominant position, counterweighted by the veto power of a sizable minority.

Therefore, the explanation of the failure of the CA in closing the gap between legality and legitimacy resides in the fact that the gap was replicated within the CA. The consensus-oriented approval of the LCCA and the one-sided approval of the CA by the MAS-IPSP, thus, differ in the fact that in the former, after quarrelling about the superiority of their legitimacy, the parts adhered to the constitutional and legal norms establishing the need to approve the legal instrument by two-thirds. However, in the latter, the parts did not adhere to the LCCA because they held on to the alleged superiority of their legitimacy claims.

In the eyes of indigenous-popular bloc they held a superior legitimacy because they were the national majority upholding an agenda for the re-foundation of the state. As expressed by Félix Cárdenas, a representative for the indigenous organisation Patria Insurgente, close ally of the MAS-IPSP during the CA, and president of the *country's vision commission* during the CA,

“It was...the position of the majority of the country’s vision commission, where the MAS was a majority that this was not about party politics, this was not about government and opposition, but it was about historical issues. Orders from...the President or the Vice-president were not valid there, that’s why we were so angry when they made us change our final report. The first articles we approved in our commission made the philosophical back-bone of the constitution. The notion of the Plurinational state originates in that discussion...[For us], no agreement was possible with the opposition” (FES-ILDIS, 2012, interview with Félix Cárdenas).

That is how the indigenous-popular bloc addressed the legal conundrum of the original or derivative character of the CA, based on which the original character of the CA gave them the right to dispense with the prescriptions of the 2004 constitution and the LCCA.

On the other side, PODEMOS held the idea, shared by the civic-regional bloc, that because the referendum on autonomies gave the CA a binding mandate to implement departmental autonomies, they held a legitimacy whose quality was superior because it reflected *the will of the people*. As mentioned by the constituent assemblist Jeannine Añez,

“We, the representatives for Beni, had great expectations regarding the CA, we wanted to be part of our country’s history. [Moreover], we had a specific mission...a binding mandate...a sovereign demand from the people of our department... to consolidate the process of departmental autonomies. This was a binding mandate because it emerged from a process of popular vote in which...Beni obtained the largest majority of electoral support in the referendum on autonomies” (FES-ILDIS, 2012, interview with Jeannine Añez).

As in the case of Cárdenas, Añez also expressed “frustration because a constitutional agreement reached in congress was imposed on us, despite the fact that congress didn’t have the power or authority to do it” (Ibid). It was clear that both parts became hostages of their claims to have a superior source of political legitimacy. I interviewed Eduardo Rodríguez Veltzé, the Bolivian President who led the transition between the fall of Carlos Mesa and the presidency of Evo Morales. When I asked him why polarisation escalated so much, he expressed:

“I had the protagonistic role of clearing the way for the election of the representatives to the CA in tandem with the referendum on autonomies, which gives me personal satisfaction...The outcome of the process, however, could have had better results...This was not the case due to intolerance and a clear lack of vocation to reach consensus of which both the majorities and minorities are responsible to a larger or lesser extent...The result is a product [a constitution] which doesn’t represent a citizens’ consensus” (Interview with Rodríguez Veltzé, 2011).

Hence, following a self-reinforcing dynamic of polarisation and legitimisation, the gap between legality and legitimacy reproduced itself within the CA. The main drivers of this dynamic were the perceptions of the actors about the opposite camp, in relationship to the value of legality. According to Juan Carlos Pinto, the majority of

“...Representatives [of the indigenous-popular bloc] inside the CA, didn’t know the formal or constitutional content of the CA, and their ideas about it clashed with the prejudices of the elites...who thought: we are lawyers, we are politicians, we will tell them what is going to be done, what do these *Indians* know anyways! It was a clash of different types of knowledge, which created a very complicated panorama. We should acknowledge that this was a summary of the country” (Interview with Juan Carlos Pinto 2013).

This was one way in which legality and legitimacy were at odds during the CA. Representatives on both sides of the spectrum believed that the CA was in the end about imposing their agendas for the re-legitimation of the state. According to Rodríguez Veltzé, this unbalanced preference for legitimacy over legality has been a constant in the history of Bolivian constitutionalism.

“If there is a continuity in the Bolivian democratic process, despite the many constitutional reforms, this is our profound lack of a culture of legality. At all levels, starting from citizens, passing through bureaucrats and ending with politicians, there is an underestimation of the value of law, of what law represents for a peaceful coexistence. This can be accomplished through a reasonable distribution of powers exercised and distributed by the public authorities” (Interview with Rodríguez Veltzé, 2011).

Moreover, this was not a situation in which one legitimacy was hegemonic but a situation of a divided legitimacy. In other words, the representatives inside the CA privileged legitimacy over legality, at a time in which they radically disagreed about what ought to be the legitimate basis of political order. Hence, after the MAS-IPSP moved away from the prescriptions of the LCCA and tried to impose its majority; PODEMOS passed from exercising a veto power to a boycott of the CA. In response, the MAS-IPSP moved towards a unilateral approval of its constitutional project, legitimate and foundational to them; whereas PODEMOS, influenced by the civic-regional block, withdrew from the CA. They retreated to their territories to comply with the mandate of the referendum, through their autonomic statutes. Both decisions were adopted under considerations of legitimacy. The infant legality designed to facilitate a consensus between these projects, was then left hanging in a vacuum.

## 8.2 Legitimate Violence: Between Ballots and Bullets

By January 2008, the blocs in conflict acquired organic structures linking different levels of the state and segments of society. The UP, in articulation with other social movements and the MAS-IPSP, as a party in government, gathered around the organisation called CONALCAM<sup>96</sup>. On the other side, the civic-committees of the *half moon* and its prefects formed an organisation called CONALDE<sup>97</sup>. The relation of CONALDE and PODEMOS, nevertheless, was not entirely clear and became competitive over time. Later on, the *Interinstitutional Committee* of Sucre and its prefect<sup>98</sup>, as well as the prefect of Cochabamba and its mainly urban-based civic committee, joined CONALDE. CONALDE pushed for the advancement towards a regime of departmental autonomies; whereas CONALCAM pushed for an immediate approval of the so-called *Oruro Constitution*.

By January 2008, the prefecture of Santa Cruz had formulated a referendum question, which would ask the electorate whether they agreed:

“...on the enactment of the Autonomic Statute of Santa Cruz, approved the 15th of December of 2007 by the Provisional Autonomic Assembly...to immediately constitute the basic institutional norm of the Department, mandatory for all of those who inhabit and exercise a public office in the department? (Prefecture of Santa Cruz, quoted by Miranda, 2012:100).

In order to justify the lack of a legal basis for a referendum on the *Autonomic Statutes*, the main advisor in the drafting of the project of Autonomic Statute of Santa Cruz, Juan Carlos Urenda, declared that:

“without a constitutional framework which could specify the competencies of the departmental autonomic regimes [we were *forced*] to call for a referendum...that is why the statutes are forced to follow a reverse path of that expected of a contemporary process of state building [by which] instead of establishing departmental competencies by the constitution, they establish, firstly, the departmental competencies...leaving to the central level of government the acquisition of its own competencies in a future constitutional reform” (Juan Carlos Urenda quoted by Miranda, 2012:102).

---

<sup>96</sup> Consejo Nacional para el Cambio or the National Council for Change.

<sup>97</sup> Consejo Nacional Democrático or the Democratic National Council.

<sup>98</sup> Savina Cuellar, a peasant leader who was former member of the MAS-IPSP and switched sides after the conflict over the Capital.

In other words, given the fact that the CA failed in bridging the gap between the *January* and the *October Agendas* under a new legal framework, the civic-regional bloc resorted to a new legitimization exercise in order to pass their departmental statutes. This, however, bypassed legality. Once more, the hierarchy of laws was turned upside down to accommodate one of the conflicting sources of re-legitimation of the state and political institutions.

The response of CONALCAM was to mobilise thousands of supporters to surround congress demanding the approval of a law calling for a referendum to approve the *Oruro Constitutional Project*. These supporters denied entrance to the MPs of the opposition, while the MAS-IPSP made sure that four substitute opposition MP's entered the building to guarantee the necessary quorum. Despite the obvious legal pitfalls of this action, the *majority* in parliament enacted the mentioned law and a law declaring the illegality of the autonomic statutes (Rodriguez Ostria, 2011). It was not, in fact, in the constitutional prerogatives of congress to declare the illegality of any norm. In any case, because they approved these laws in the wrong order, the move was nullified by the only institution still standing as a timid enforcer of legality, the national electoral court.

From January 2008, the CT stopped working because almost all of its members, except for one, Silvia Salamme, either ceased their tenures or resigned. In both cases, the action and/or inaction of congress led to the paralysis of the CT. Congress didn't elect new members for the CT, when the older ones finished their tenures, which was a constitutional prerogative of the legislative. At the same time, the MAS-IPSP systematically issued legal indictments against the remaining members of the CT (Schwarz Blum and Cordova, 2008).

In February 2008, the departmental electoral courts of the *half moon* agreed to oversee the referendums on the autonomic statutes, despite of their evident illegality. The national court decided to abstain itself from overseeing a national referendum on the new constitution because of these legal pitfalls. The national and departmental members of the court, then, held an emergency meeting to solve their internal impasse. However, the departmental courts of the *half moon* ratified their disposition to oversee the referendums on the autonomic statutes. From then onwards, the president of the national electoral court



lost complete control of the departmental branches of the institution, in the *half moon*. They started to act as, *de facto*, autonomous entities.

The dynamic between the blocs entered into a spiral by which, justifying their own actions in the name of a superior legitimacy and legality, the parts questioned the validity of the other part's respective re-actions, depicting them as illegal and illegitimate. When President Morales proposed the harmonisation of the statutes and the *Oruro Constitution*, the president of the Civic Committee of Santa Cruz declared that “if the Constitution [was] in the framework of legality and consensus, the statutes could be compatible with it; however, since the project of *Magna Charta* is illegal, it shall not be compatible with any document” (Rodriguez Ostria, 2011:12).

Both the constitution approved in Oruro and the projects of statutes suffered from major legal pitfalls, although they enjoyed important levels of popular legitimacy. The gap between legality and these contending legitimacies installed itself, at this point, as the driving force of the state crisis in Bolivia. The parts, then, started a battle of legitimacies in the context of a legal vacuum.

### 8.2.1 Legitimacies Competing in the Ballot Box

The departments of the *half moon* called for referendums to approve their constitutive statutes between May and June 2008. The MAS-IPSP criticised them because they were illegal and called for the population of these departments to de-legitimise them by mobilising in the streets and abstaining from voting (ICG, 2008). The result of this battle is reflected in the outcome of these referendums, as shown in Table 18.

**Table 18 Electoral Results: Referendum to Approve the Autonomic Statutes**

Department	% of the votes casted approving the statute	% of the votes casted rejecting the statute	% of the eligible electorate who abstained (MAS- IPSP Campaign)
Beni	80,2%	19,8%	34,5%
Pando	81,8%	18,2%	50%
Santa Cruz	85,6%	14,4%	39%
Tarija	78,78%	21,22%	38, 24%

Source: Own elaboration based on International Crisis Group (ICG), 2008

Despite the existence of important pockets of *resistance* within the *half moon*, CONALDE felt in such a strong position due to this results, that they sent a letter to President Morales expressing the need to install a dialogue on the basis of the autonomic statutes. What's more, they claimed: "with [our] victory in Tarija, we are four departments that have consolidated their autonomy...and soon we will be five, six and later nine..." (Miranda, 2012:114, quoting the letter sent by CONALDE to President Morales after the referendum in Tarija in June 2008). If Morales didn't agree on these terms, they proposed to call for early elections in order for "the people to settle this contradiction" (Ibid). In other words, CONALDE proposed to test which bloc was more legitimate.

The national leadership of PODEMOS, absent at this stage of the struggle, saw the rise of CONALDE as a threat to its claim of representing the opposition. Hence, the top ranks of PODEMOS backed *Tuto* Quiroga when he announced that PODEMOS would refloat a law project presented by the MAS-IPSP in December 2007, by which the president and the prefects would measure their popular support in a recall referendum. However, the presidency of the senate, held by PODEMOS, blocked the project then because there was no such thing as a legally recognised recall referendum. Nevertheless, under the assumption that a weakened government would reject the idea in 2008, PODEMOS passed the dormant project calling for a recall referendum. After a moment of hesitation, Morales decided to take the challenge.

Since there was no chance for PODEMOS to be a protagonist of this electoral exercise, the only nationwide participant in this contest was Morales against himself. As important sectors of the population backed him, PODEMOS ended up giving Morales the chance to regain the lead in this struggle for legitimacy.

The fact that the recall referendum took place in a legal vacuum was confirmed on the 22nd of July. An MP from *UN* challenged the constitutionality of the recall referendum (La Razón, 22nd of July 2008). Doctor Salamme, the only acting member of the CT was in favour of suspending the referendum until the legal path was cleared. Nevertheless, since the CT had no quorum to resume its functions, Salamme's pronouncement was more symbolic than legally effective. In the absence of the CT, no constitutional control was possible anymore. The prefects of the *half moon* and Morales continued their respective

campaigns. Soon after, the streets of La Paz were full of graffiti spelling out the phrase: *Que las cortes no te quiten tu derecho a votar! Do not let the courts take the right to vote away from you!*

According to one of the leaders of the MAS-IPSP inside the CA and its main negotiator in the final dialogue that brought the state crisis to an end, Carlos Romero, it was clear that the possibility of “settling the contradictions in a scenario of consultation with the people through the ballot box, was a *good deal* and [gave the government] the possibility of retaking the initiative in a more favourable correlation of forces” (Penaranda et al. 2009:7; Interview with Carlos Romero, 2014). The civic-regional bloc was weakened by the emerging fissure between PODEMOS and CONALDE which meant, for them, the beginning of the end. Even though the prefects of the *half moon* considered themselves in a strong position to legitimise their authority, they constituted no match to Morales, because the territorial jurisdiction in which they were playing was sub-national.

On August the 10<sup>th</sup>, the *recall referendum* delivered a 67% of electoral support for Morales. The key opposition prefects were also backed by their constituencies<sup>99</sup>, as shown in Figure 37; for example, Ruben Costas from Santa Cruz was ratified with 66% of the votes. Nevertheless, it was clear that Morales was the most legitimate political actor at the national level.

Morales addressed the nation in a conciliatory tone, offering to articulate the constitution and the statutes. On the contrary, Costas accused Morales of being the main responsible of the political crisis of the country (Miranda, 2012; Rodriguez Ostria, 2011; Bonifaz Moreno, 2011). Costas did not attend the meeting held by Morales in La Paz, and soon after it started, the other prefects abandoned it. Instead of settling the crisis, thus, the so-called *recall referendum* intensified the tensions between the contending legitimacies.

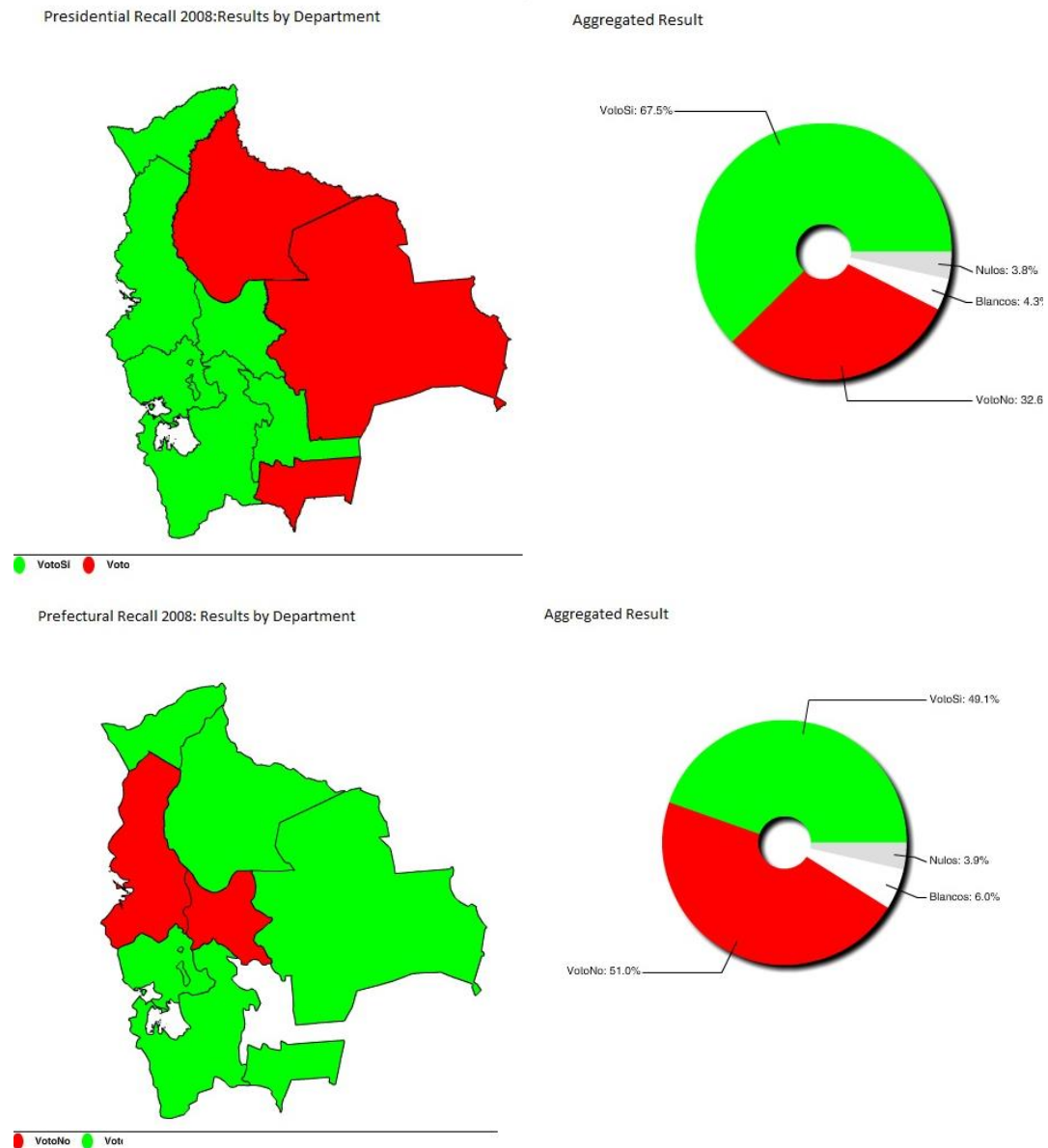
Emboldened by the nationwide electoral support, the government, in coordination with CONALCAM, advanced the idea of calling a referendum on the *Oruro Constitution* by presidential decree, against what was prescribed in the 2004 constitution and the LCCA.

---

<sup>99</sup> The Prefects of Cochabamba and La Paz, strongholds of the MAS were recalled, creating a clear divide between the eastern lowlands and the western highlands of the country.

Vice President García Linera declared, referring to the recall results, that “Bolivia has given us the mandate to continue with this process” (quoted by Rodríguez Ostría, 2011:17). Pointing at the illegality of the decree, CONALDE then declared open disobedience; they would boycott any constitutional referendum. García Linera reacted by declaring the dialogues for the new constitution and the departmental statutes, closed, offering “to regulate departmental autonomies through a law in a future dialogue...the day after the new Constitution was approved” (Ibid:19). Finally, the prefect of Tarija called for elections to form a “Departmental Parliament [as was] established in the Autonomic Statute of Tarija” (Ibid:20). The national electoral court managed to temper the escalation by stating that it would not validate any electoral process called either by the government or by the prefects if they were not approved by congress (Ibid).

**Figure 37 Presidential vs. Prefectural Recall Referendums, 2008**



Source: Own Elaboration based on TSE/UNDP Bolivia, 2012

### 8.2.2 Legitimacies exchanging Bullets

September 2008 marked the turning point in which the battle between these two legitimacies drifted further towards open violence. On September 2<sup>nd</sup>, CONALDE called for a region-wide mobilisation and a blockade of roads until they would reach their objectives of: i) recovering the resources of the tax on hydrocarbons, ii) the rejection of the referendum on the new constitution called by the MAS-IPSP, and iii) the recognition of

the departmental autonomies (Ibid). The executive took a step back and agreed to call for a referendum through a law approved by congress; nevertheless, CONALDE did not stop its radicalisation and called for the “... application of the autonomic statutes...and the formation of a broad front of citizens, organisations and institutions to defend democracy” (Ibid:20). CONALCAM, as a response, called for a “siege to congress until they approve a Law calling for a Constitutional referendum by two-thirds” (Ibid:20).

CONALDE initiated protests, hunger strikes, and road blockades in various parts of the eastern lowlands to force Morales to a compromise on the key aspects of the autonomic statutes into the new constitution (Penaranda et al. 2009). Soon after, all the major roads in the eastern lowlands and Tarija were blocked. In a parallel way, central government buildings in the *half moon* were stormed and taken by pro-autonomist activists. In three days, 75 of these buildings were *departmentalised* in order to, later on, “nominate new authorities by the opposition prefects...aiming at the creation of a parallel legal order” (Miranda, 2012:48). By September 5<sup>th</sup>, civic committee supporters in Pando had taken over the regional airport, the land reform administration offices (INRA) and the highway administration office (ABC). President Morales accused the civic committees and the prefects of initiating a *civic-prefectural coup d'état*. By September 11, the situation deteriorated to the point that one of the pipelines through which Bolivia supplies gas to Brazil was blown up (Bonifaz, 2011; Rodriguez Ostria, 2011). Over the following hours, street battles took place between supporters of CONALCAM and CONALDE in Tarija.

In Pando, at the other end of the country, rural peasant unions marched towards the capital, Cobija, in order to re-take the INRA and to overthrow the opposition prefect, Leopoldo Fernandez. This was part of a nation-wide initiative of counter mobilisation organised by CONALCAM, in coordination with the MAS-IPSP. On September the 9<sup>th</sup>, Fidel Surco, leader of CONALCAM declared that this was going to be a nation-wide siege. He added: “we will teach them [CONALDE] how to do roadblocks” (*La Razón*, 9/09/2008). In sum, the entire country was engulfed in a dynamic of mobilisation and counter mobilisation, drifting towards civil war.

Peasants from Pando started the mobilisation. Their trucks were provided by the mayor of a small municipality called *Filadelfia*, controlled by the MAS-IPSP (Bonifaz, 2011, based on reports of the Bolivian Ombudsman and the UNHRC Office in Bolivia on the events of Pando, Bolivia, 2008). They advanced over the municipality of *Puerto Rico* to join a second column of peasants, before heading to Cobija. On their way, they found pro-autonomist activists, whom they confronted before taking six of them as hostages (Ibid.).

Before noon, a small police unit of 50 men was the only obstacle separating the groups. The police negotiated the release of the hostages but could not disarm the factions. After the hostages were released, civic committee supporters opened fire. Over the next few minutes, at least eleven peasants and one additional civic committee supporter were killed, raising the death toll to 13. According to a UN report, 593 Bolivians crossed the border to seek refuge in Brazil (Ibid). The following days, the government took the initiative and declared a state of emergency in Pando and imprisoned the prefect Leopoldo Fernandez. Nevertheless, thousands of members of CONALCAM, many armed, started to march to the city of Santa Cruz for a final blow. It was only after the intervention of the international community, offering a mediation that violence ceased just before CONALCAM reached Santa Cruz.

In sum, the replication of the gap between legality and two contending sources for the re-legitimation of the state and political institutions, gave way to the fall of the CA. From then onwards, the coalitions of social and political actors and their projects for the re-legitimation of the state collided in the context of a legal vacuum. The civic-regional bloc proved to be less stable than the popular-indigenous bloc because of the struggle for leadership between PODEMOS and CONALDE, as was evident by the results of the recall referendum. Furthermore, the results showed that the hegemonic political actor at the national level was the MAS-IPSP; whereas the prefects of the *half moon* proved to be merely the most legitimate actors inside their departments. Feeling threatened, CONALDE resorted to mobilise its support base in a defensive and violent manner.

In a final stage of the crisis, the spiral of legitimation and conflict shifted from the mobilisation for an electoral victory to the mobilisation for violence. Parts of the state got engulfed in the struggle between the two blocs and the conflict shifted from a society vs.

society dynamic to one of state/society vs. state/society. The parts tried to settle the dispute by competing in the realm of legitimation. However, in the absence of legality, a naked contest for power which soon transformed into a vicious circle of legitimation and violence that pushed the country to the verge of civil war. Only the mediation of the international community changed the course of events.

### **8.3 From the Streets back to the Parliamentary Forum**

#### **8.3.1 The Struggle for Legitimacy Mediated in the International Forum**

The tipping point that stopped further violence came from outside Bolivia, from an emergency meeting of UNASUR<sup>100</sup> on September 15, 2008.<sup>101</sup> The UNASUR initiative followed a mission led by the OAS<sup>102</sup> in April 2008. The OAS, through its Secretary of Political Affairs, Dante Caputto, was given the mandate to mediate between the government and the opposition. Initially, the mediators decided to speak with the respective leaders of both blocs, separately.

“According to Morales and his government, the conflict revolved around the fact that the MAS-IPSP and his government were the legitimate representatives of the people who gave them the mandate to build a plurinational state. The opposition, in turn, tried to block this project because they were oligarchic minorities who could not stand the idea of having an indigenous person as president. On the other hand, the prefect of Santa Cruz, stressed the argument that the *half moon* had been historically abandoned by the Bolivian state. However, despite the centralist outlook of the Bolivian State, Santa Cruz managed to become the most developed department of the country. Santa Cruz, what’s more, contributed the most to Bolivia’s public coffers. Throughout the whole negotiation, the prefects wanted to make it clear before the international community, that they were not separatists” (Interview with Rodrigo Zubieta, OAS, 2013).

Both parts tried to legitimise their position before the international community, based on historical and normative grounds, as well as on the empirical grounds of having electoral support.

When the conflict reached a tipping point, UNASUR stated: “the [UNASUR] governments emphatically reject and will not recognise any situation that attempts a civil *coup* or a rupture of the established institutional order, compromising the territorial unity

---

<sup>100</sup> Union de Naciones Suramericanas, is a political integration project formed by all the Latin countries of South America.

<sup>101</sup> See Peñaranda et al. 2009.

<sup>102</sup> Organisation of American States.



of Bolivia” (UNASUR, 2009:1).<sup>103</sup> The UNASUR meeting and communiqué are generally regarded as being led by the Brazilian government, after a strong exchange of words between its delegation, favouring mediation between the parts, and the Venezuelan position, favouring the militarisation of the *half moon*. (Interview with Gustavo Fernandez<sup>104</sup>, 2010; Zubieta, 2013).

By offering mediation between the parts, the statement by the UNASUR backed the central government, but also acknowledged the legitimacy of the prefects. Over the following days, both the UN and the EU in Bolivia sent messages to the effect of stopping the violence, offering technical assistance to facilitate a dialogue. For this thesis, it is important to stress that, in the absence of legal and judicial devices commonly accepted by the parts to mediate the conflict, the intervention and mediation of international organisations played the subsidiary role of an impartial third party.

### **8.3.2 The Negotiation Table: the Cochabamba Dialogue**

The first meetings after the violent confrontations were held in Cochabamba, from September 18<sup>th</sup> to October 5<sup>th</sup>, 2008. They took place between the Morales’ administration and the regional opposition, led by the prefect of Tarija. The UN, the OAS, UNASUR and the EU sent observers to the meeting, as did leaders of the Catholic and Evangelical churches and the four parties represented in congress. The negotiations were blocked, on the opposition side, by a lack of compromise on the issue of the recovery of hydrocarbon revenues in favour of the departments.

Despite the flexibility of the Prefect of Santa Cruz to negotiate substantive issues, the civic committees adopted such a radical position that the prefects could not sign a draft document. On the government side, in turn, negotiations were held back by a lack of compromise of the government on some of the key demands of the *half moon* over departmental autonomies, and their concern about a potential re-election of Morales (ICG, 2008). The constituents of the MAS-IPSP and some organisations related to them were

---

<sup>103</sup> See UNASUR, 2009, Informe de la Comisión de UNASUR sobre los sucesos de Pando: hacia un alba de justicia para Bolivia, Santiago: UNASUR.

<sup>104</sup> Gustavo Fernandez was a former Minister of Foreign Affairs between 2001 and 2002; between 1984 and 1985 and in 1979. He has extensive contacts inside the Latin American diplomatic community, especially in Brazil, where he was the Bolivian Ambassador between 1983 and 1984.

also opposed to the idea of changing the *Oruro Constitution*. This would mean the abandonment of the idea of the original quality of the CA for which they fought so much. Nevertheless, the moderates in both blocs, supported by international mediators, gained the upper hand to reach an agreement.

### **8.3.3 From Parliament to the Sovereign**

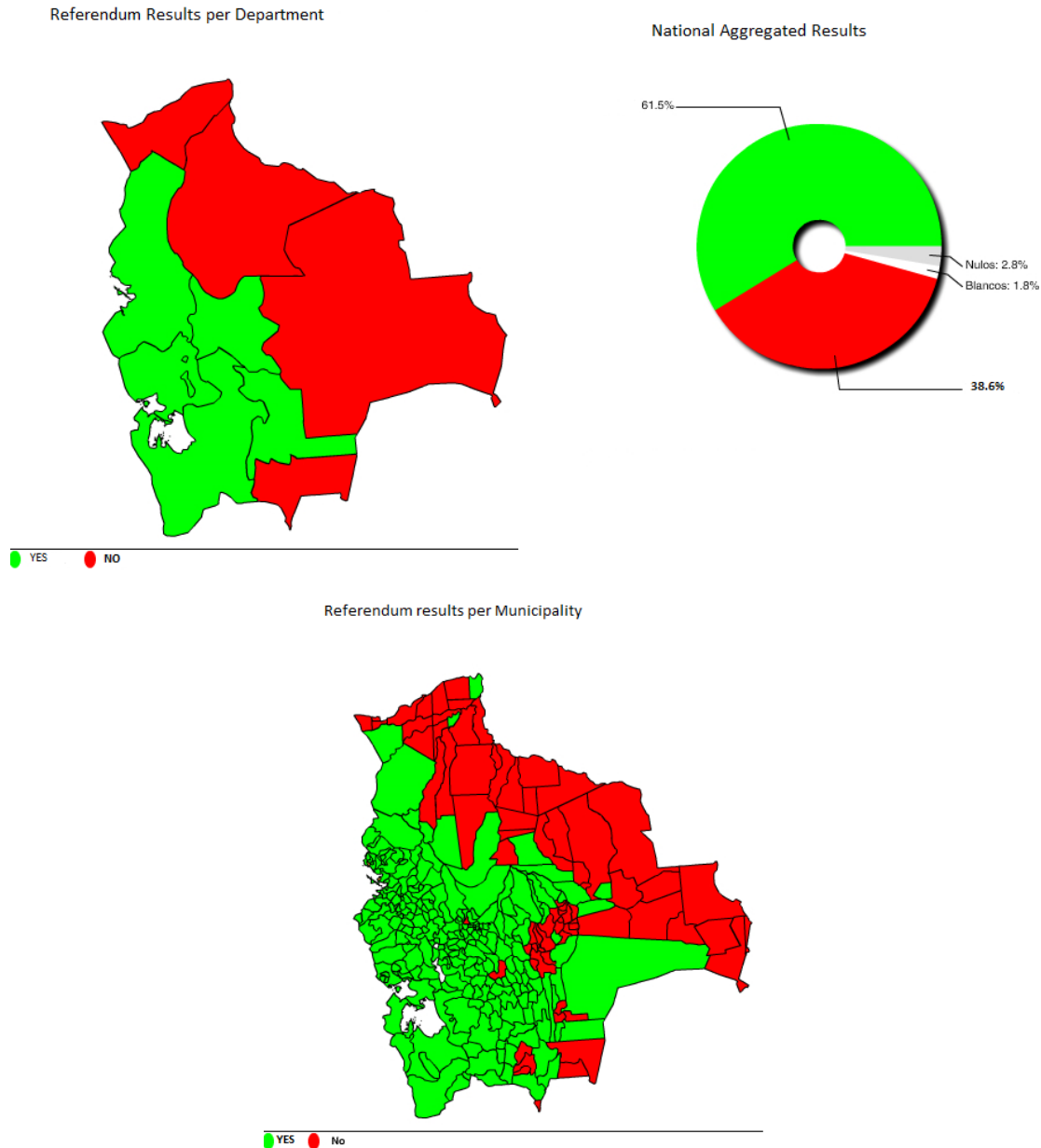
The talks moved from open-door meetings in Cochabamba, to closed-door meetings in La Paz, between leaders of the congressional majority – led by Carlos Romero of the MAS-IPSP – and minority – led by Carlos Böhrt of PODEMOS, given the radicalisation of the regional opposition. The agreement departed from the mutual recognition of the legitimacy of both the constitutional draft approved in Oruro and the autonomic statutes. In a second stage, the parts agreed on giving legal validity to the intervention of congress by approving, by two thirds, an *interpretative law* of the constitution by which it resumed the constituent power and was enabled to change the dispositions adopted by the CA (Rodriguez Ostria, 2011; Penaranda et al. 2009). In the sphere of the streets, however, congress was pressured by a massive march led by CONALCAM, aimed at forcing congress to approve the new constitution (Ibid).

Three issues sealed the compromise. First, the government agreed to seek a single re-election period for president Morales under the new constitution. This meant forfeiting the possibility of a serial re-election. Second, the opposition agreed to scale down their demands in the autonomy chapter of the constitution and to postpone substantive disagreements on a future law on decentralisation, to be negotiated by a new congress. Third, both sides agreed to a common electoral roadmap which would see ratification of the new constitution in the following months and general elections, next year. After changing 144 articles of the *Oruro draft*, congress approved the constitutional project on October 20, 2008.

In January 2009, a constitutional referendum was held and a new constitution was approved by more than 60% of the electorate, even though it was not approved in the departments of the *half moon*, whose civic leaders and prefects openly campaigned against the proposed constitution (see Figure 38). Nevertheless, the parliamentary agreements were able to redirect the constituent process closer to the point of intersection between the legitimacies

in conflict and towards a new constitution. What's more, the facts on the ground proved that the CA was neither procedurally or substantively original nor plenipotentary.

**Figure 38 Constitutional Referendum of 2009: Results by Department**



Source: Own elaboration based on TSE/PNUD, 2013.

Procedurally, the fact that congress had to approve a law allowing for an extension of its functions and another law allowing for it to finish its sessions in another city rather than Sucre, proves that congress conditioned the temporal and spatial functioning of the CA. Substantially, the fact that congress had to resume its constituent character in order to

change 144 articles of the *Oruro draft*, is very telling of the importance of congress in shaping the final content of the constitution. It essentially accommodated the two agendas for the re-legitimation of the state and political institutions. It could be argued that in both instances the pressure of mobilisation in the streets defined the outcome of the process. However, the focus of such mobilisations was always to influence the debates within these deliberative forums and not to fulfil their demands outside these institutions. Therefore, social mobilisation cannot be accounted as a sufficient condition to explain the constitutional outcome of the Bolivian crisis, but rather as a set of informal institutions that, in Bolivia, had historically functioned as parallel channels of legitimation.

## 8.4 Conclusions

The CA failed to approve a constitution in which the *October* and *January Agendas* could reach a consensus. The explanation of the failure of the CA in closing the gap between legality and legitimacy resides in the fact that the gap between legality and legitimacy was replicated within the CA. While this sounds like a circular argument, this is the case because the politico-institutional dynamic under analysis was circular itself. This, however, should not be a problem as long as it can be explained why and how this was the case.

It would have been very difficult for the CA, which was born out of the rupture of the constitutional order in place up to 2004, to abide by the rule of law. In other words, the CA itself was born out of the gap between legality and legitimacy. Nevertheless, even though that was the case, when the parts in conflict crafted the LCCA, following the prescriptions of the 2004 constitution, a new legality seemed to emerge and the gap was close to closing. Overcoming gridlock and uncertainty, the opposing parts adhered to the constitutional and legal mandates that prescribed the need to approve the constitution by two thirds, breaking the vicious circle. Once the CA was installed, however, the parts did not adhere to the LCCA because they fell back into the vicious circle of claiming to have a superior source of legitimacy. Since gridlock and polarisation were characteristic features of both the parliament that approved the LCCA by unanimity and the failed CA, a polarised balance of powers is not the best explanation for the failure of the CA.

In the eyes of indigenous-popular bloc they held a superior legitimacy because they upheld a re-foundational agenda to bring justice to those historically oppressed majorities. That is how they addressed the legal conundrum of the original or derivative character of the CA. On the other side; the civic-regional bloc sustained that because the referendum on autonomies gave the CA a binding mandate to implement departmental autonomies, they held a legitimacy whose quality was superior because it reflected the popular will of the *half moon*. What's more, the *half moon* also justified its claims as a region historically neglected and recently plundered by a centralist state.

Hence, after the MAS-IPSP moved away from the prescriptions of the LCCA and tried to impose their majority to advance their agenda; PODEMOS passed from exercising a veto power to boycotting the CA. Both decisions were adopted under considerations of legitimacy, and left the infant legality, designed to facilitate a consensus, hanging in a vacuum. From there on, these agendas fueled an open confrontation in which legitimization, social mobilisation and violence fed each other in a vicious circle. In the absence of any impartial third party able to settle the dispute based on legally binding procedures, it was difficult to prove either point. The state crisis thus deepened when the gap between legality and these contending legitimacies installed itself as the driving force of the overall social system.

I have analysed in the theoretical framework that legitimacy is a determinant source of power. The parts in conflict sought to fulfill their objectives by mobilising their constituencies in the streets and testing their popular support in electoral events. As in any power struggle the cohesion, resilience, strategic vision, and the tactical accuracy of the parts would result in the victory of one or the other. The lack of cohesion within the civic-regional bloc led to the commission of a tactical mistake, by which they opened the door for the recall referendum.

Uncertainty and fear regarding the future and integrity of the country and of democracy scored high, particularly in the *half moon*. The outcome of the recall referendum, in this context, pushed the civic-regional bloc towards a violent defensive position, since fear and frustration are fertile soil for political violence (Gurr, 1970). As parts of the state got engulfed in the struggle between the two blocs and the patterns of violence shifted from a

society vs. society dynamic to one of state/society vs. state/society, pushing the country to the verge of civil war. The situation deteriorated because a constitutional distribution of responsibilities and the mechanisms for conflict resolution between government branches endowed with rival sources of electoral legitimacy was not in place.

The mediation of the international community, acting as a supplementary impartial third party, was then the factor that changed the course of events. The agreement departed from the mutual recognition of the legitimacy of both the constitutional project approved in Oruro and the autonomic statutes. The parts also agreed on giving a mandate to congress to resume the constituent power, redirecting the process closer to the point of intersection between the legitimacies in conflict and a new legality.

In sum, the relationship between legality, legitimacy and political violence can adopt different forms depending on the dynamic of the gap between legality and legitimacy. In Chapter 6 I have shown how, when the party system faced a de-legitimation spiral, the legal system lost effectiveness and, therefore, relied on coercion in order to sustain itself. The result is the increase in levels of vertical violence between the state and society, which in turn can lead to the collapse of the regime or to an authoritarian response in the name of law and order. On the other hand, Chapter 8 shows that in the absence of a legal order able to channel deeply divided legitimations; legitimization can easily turn into horizontal patterns of violent conflict between sectors of society. In the name of legitimacy, elections can lead to the capture of parts of the state by these contending social segments; hence the state itself can get caught in this horizontal violence, a situation that could have drifted towards a civil war<sup>105</sup>.

---

<sup>105</sup> The main negotiators of the parliamentary agreement, namely Carlos Romero for the MAS-IPSP and Carlos Böhrh from PODEMOS, have mentioned that they shared the idea that a civil war was a real prospect during the crisis. Carlos Romero has mentioned this to me when I interviewed him in 2014, and Böhrh has mentioned it in a working paper published by *IDEA Internacional*. Edward Bruckner, the leader of the MNR in the Department of Beni also expressed to me, in an interview, that he thought Bolivia was on the verge of civil war in 2008.

## Chapter Nine

### Conclusions

The present thesis has been motivated by an enquiry into the causes of the state crisis that Bolivia experienced between 2000 and 2008. This is an intriguing case study because the country appeared to be a success in achieving political and economic stability, after the implementation of a competitive political party system and neo-liberal reforms, but suddenly experienced an acute crisis of the state and political institutions. While this sudden descent into violence in the 2000s was surprising within the Bolivian context, in fact it represented an extreme manifestation of a regional trend. Many countries of the region experienced legitimacy crises resulting from the incapacity of the region's political systems to effectively mediate conflicts originated in the impacts of cumulative and/or sudden social changes in the social, regional and, in some cases, ethnic cleavages that characterise the region. Some countries also experienced openings of the gap between legality and legitimacy in this period. Historically, these openings occurred with different intensities and in different combinations, in accordance to the relative salience of cleavages of each country. I demonstrated that the Bolivian case consistently represents an extreme manifestation of this dynamic because of the particular structure of its ethnic, regional and class cleavages, and due to the intensity, velocity and volatility in which social change historically impacted them. I also showed that the way in which political actors and institutions absorbed these changes, or fail to do so, by transforming de-legitimation and re-legitimation discourses into legal changes, is the key factor for explaining why Bolivia have experienced acute state crises as the outcome of this dynamic; whereas other countries have not.

Most of the explanations of the Bolivian state crisis, I sustain, focus on historical continuities, and are marked by what Theda Skocpol (1980) has called *genetic determinism*. These explanations focused on the prevalence of one of the historic cleavages in the Bolivia society, as the key factor explaining the outcome of the crisis. Extremely unequal relationships between the indigenous and the non-indigenous sectors of society;

between rich and poor, or between the central state and the geographic *periphery* were identified as the main explanatory factors of the crisis. According to these analyses, the episodes of state crises in Bolivia represent recurrent manifestations of unresolved tensions (Crabtree and Whitehead et. al. 2008) that tend to repeat at different points in history.

If that was the case and one or a particular combination of these long-standing conflicts could explain the state crisis of 2000-2008, I asked in the first chapter of this thesis, why is it that different Bolivian state crises showed different patterns of conflict? For example, why were the ethnic and regional cleavages determinants of state crises in 1899 and 2000 and not so salient in 1952? Why has the class question managed to, apparently, displace the other two cleavages in 1952? Why, since 2000, have we observed the (re)emergence and convergence of all of the cleavages at once? I have put forward the argument that the aforementioned explanations fail to explain the state crisis in the present century because they try to explain what has changed, based on what has not changed.

Other explanations focus particular areas of change – economic, cultural and politico-institutional, claiming that the Bolivian state crisis was the cause of the inability of the Bolivian society to sustain the positive effects of the economic and political reforms of the 1980's and 1990s. These explanations are even less successful in accounting for the outcome of the crisis because they fail to answer why, if positive change was taking place, political institutions and neo-liberalism collapsed in Bolivia?

The present thesis has shown that historical continuities interplayed, in complex ways, with sudden and/or cumulative social changes triggered by exogenous and endogenous forces. These changes have disrupted the structure and dynamics within and between ethnic, regional and class cleavages, due to the impacts of economic, societal, cultural, and political changes. Furthermore, I sustained that these changes impacted the Bolivian state through the breakdown of the relationship between the legality and the legitimacy of political institutions.

The idea of analysing the relationship between social change and political institutions was pioneered by Samuel Huntington in his seminal book: *Political Order in Changing Societies* (1968). According to Huntington, the impacts of social change create impulses for social mobilisation not sufficiently absorbed by political institutions because of their



lack of flexibility, adaptability, cohesion and autonomy. The result of this disjuncture would be political instability; not caused by the absence of modernisation in these societies but precisely due to their efforts to achieve it. I believe that this theoretical template is adequate to analyse the Bolivian state crisis. However, I have qualified, revisited and revised Huntington's approach to accommodate it to i) the new contextual patterns of social change brought about by the process of *glocalisation* and their impact on social cleavages (Robertson et al. 1995), and ii) to fill what I believe are some conceptual gaps regarding the reason why political institutions fail to adapt to social change. In order to achieve the above I embarked on an extended literature review in which I combined two theoretical approaches: historical sociology to address i), and historical institutionalism to address ii).

From the perspective of historical sociology, social change can lead to social conflict and social conflict sets the stage for political change. Probably the greatest attention into this literature has been focused on the idea of the prevalence of class conflict, brought about by capitalist development, as the driving force for the outcome of democracy (Rueschemeyer, Stephens and Stephens 1992). Although I acknowledge the relevance of this line of enquiry, I have caveated this idea since it would be overly simplistic to see class conflict as the only driving force of political change in Latin America and Bolivia, places where territorial and ethnic conflicts historically conditioned changes in the economic, cultural, and territorial dynamics. These changes had unsettled the structure of cleavages and shifted the relative position of ethnic groups, classes, and regions, with intensity in Bolivia.

Nowadays, we need to analyse social change beyond the category of class because the patterns of social change have shifted from the time in which Huntington wrote *Political Order*, in which the author dealt with social change under conditions of modernisation. I argued that in the new context there is a *glocalisation* of social change impacting the structure of cleavages throughout the world. In Chapters Two, Four and Five I analyse the main socio-political changes experienced in Latin America and Bolivia, from modernisation to *glocalisation*.

Furthermore, it would be extremely deterministic to say that if we can identify important social changes in a society, they will inevitably lead to a particular form of political change or conflict. If continuity cannot explain change, change in itself cannot explain why a

specific crisis erupts at a particular point in time and not in another. Huntington's approach in fact corresponds to a functionalistic approach to institutions, a characteristic that has also been raised as a criticism to historical sociology (Grugel, 2002). When Huntington developed his theory, he stressed that instability occurred when political institutions lacked the necessary flexibility, adaptability, coherence, and complexity to adapt to social change and mobilisation. However, he never explained why political institutions were slow to adapt.

The concept of path dependency is able to explain the particularly resilient character of some institutional settings, be they formal or informal. The concepts of institutional drift (Acemoglu and Robinson, 2012), institutional conversion and layering (Thelen, 2005) on the other hand, account for the way in which institutions partially adapt and partially resist changes. Using a combination of these concepts, I developed an explanatory account for institutional change in which evolutionary social change, once impacted by sudden shocks on the structure of cleavages, triggers institutional changes through a disjunction between the legitimacy and the legality of political institutions.

I also pointed out that Huntington's approach tends to collapse the complex variety of political institutions under one category. A closer look at such variety shows that different political institutions adapt differently to social change. In Chapter 5 of the thesis, I have detected a disjuncture between the decentralisation reform of the 1990s and the development of the party system, by which the former accommodated better than the latter to the patterns of social and political change, opening spaces for emerging new actors upholding discourses for the de-legitimation and re-legitimation of the state and political institutions. This disjunction adopted a particularly acute manifestation in Bolivia, which explains the extreme character of the Bolivian state crisis, when compared to similar episodes registered in Ecuador and Venezuela.

In any case, Huntington referred to state institutions in general and not necessarily to the institutions of democracy. Expanding the analysis to the context of democratic institutions anchored in constitutional structures, we can find a source of explanation for why not all political institutions follow the same process of adaptation to change. In constitutional democracies, the key element linking new actors and demands to the state institutions, is

the relationship between the process of legitimation and the legality of democratic institutions.

In the present thesis I have adopted an empirical approach to legitimacy. Empirical legitimacy can also be referred to as legitimation or the process by which societies endorse or withdraw support for political institutions and actors; whereas the latter compete for such support to govern their societies. Legitimation takes place through elections, public communication and mobilisation. Furthermore, it occurs at the levels of political leadership, the regime's performance, local government, the regime's institutions and the political community, represented by the state. This process takes place in two dimensions, a vertical dimension that runs in a continuum from specific towards diffuse support, and a horizontal dimension related to the levels of social cohesion within society reflected in a sense of national identity<sup>106</sup>.

I addressed legality as a characteristic of the state's formal institutions, by which these rules aim at providing stability through a clear hierarchy, interpreted by an independent judicial system. At the top of this hierarchy one finds constitutions which regulate the political processes and usually require an exceptional majority to change (Linz and Stepan, 1997). In constitutional democracies, laws are written by representative bodies originated and sustained through the process of legitimation. Therefore, a disjuncture between legality and legitimacy is a manifestation of a particular disjuncture between social change and its impact on the structure of cleavages, and the politico-institutional capacity of the state to transform them into legal change. Against this background, I argued that the disjuncture between democratisation and decentralisation, in the context of rapid social changes, paved the road for the opening of a gap between legality and legitimacy and a state crisis in Bolivia.

Therefore, the main theoretical contribution that the present thesis claims to make is a conceptual advancement regarding Huntington's approach to the relationship between social change, social mobilisation and political institutionalisation. I embedded these concepts under the envelope of the relationship between the concepts of legality and

---

<sup>106</sup> See figure 1.

legitimacy. I opted for such a strategy because I think that it is important, in a democratic setting, to capture the interaction between social change and political institutions by analysing the changes in their levels of legitimacy and how are they processed by the legal system. In sum, I addressed the Bolivian state crisis between 2000 and 2008 using a revised version of Huntington's theory through the lenses of the relationship between legality and legitimacy.

As a methodological contribution, I have used the method called process tracing in order to identify the causal mechanisms and processes explaining the outcome of the Bolivian state crisis. I did so oriented by the following system of hypotheses:

H1) The crisis was the result of a socio-political dynamic by which the state and political institutions were increasingly unable to process social conflicts and demands within the constitutional order; triggering, as a result, the opening of a gap between legality and legitimacy.

H2) This process can, in turn, be explained by the relations between: a) the impacts of four decades of rapid social change on the structure of cleavages – ethnic, regional and class – of the Bolivian society; b) the disjuncture between the volume, rate and pace of political participation, enlarged by the process of decentralisation implemented in 1994, and the centralised internal structure of the political parties; c) the interaction between a) and b) created a bottle neck effect that blocked the possibility of processing these disrupted cleavages within the formal political institutions. Therefore, these institutions faced a crisis of legitimacy.

H3) The state crisis of the 21<sup>st</sup> century is related to a broader long-term pattern. Earlier waves of modernisation triggered a disjuncture between legality and legitimacy that later led to state crises. The legacies of these crises interacted with the state crisis of 2000-2008 when new socio-political blocs in conflict resorted to latent political discourses, repertoires of collective action and informal institutions, to legitimate their position in this new struggle for hegemony.

A further methodological strategy of the present work has been to situate the case study in regional and historical perspective. Acknowledging that the gap between legality and

legitimacy is a longstanding characteristic shared by most Latin American countries, I demonstrated in Chapter 2 that Bolivia is an extreme case of this dynamic. This is the case because of the particular structure of its ethnic, regional and class cleavages. Bolivia is one of the most unequal countries in the region; it is the only country with a highly mobilised indigenous majority and the only country in which economic power shifted from one region to another twice during the 20<sup>th</sup> century. Chapter 2 shows how social change has impacted these cleavages with unusual intensity, velocity and volatility in the country's history. Moreover, the way in which political actors and institutions failed to adapt and absorb these changes led to the specific manifestation of the Bolivian state crisis, when the centralised structure of its political parties failed to adapt to a radical decentralisation programme. This explains why countries like Bolivia experienced state crises; whereas others did not, at different points in history. Two of these crises were the Federal War of 1899 and the National Revolution of 1952. In Chapter 2 of the thesis I carried out a cross-temporal comparison of these episodes to identify explanatory patterns of political change in modern Bolivia, considering my theoretical framework. I carried out this analysis by studying mainly secondary historical accounts of the mentioned periods, controlling for the cross-temporal and ideological plurality of sources.

As an empirical contribution, I have traced the sequences of socio-economic and cultural changes experienced in Bolivia during the last decades using data from different UNDP reports for Bolivia, the World Bank and the Bolivian censuses of 1976, 1992 and 2001.

I have also traced the sequences of politico-institutional change by analysing changes in the legislation regulating the political system of the country in relation to the agency of key political actors. I did so against the background of a series of semi-structured interviews with key political leaders (see Annex 3), and by analysing electoral results for all the electoral processes in the period under study based on the database of the TSE/UNDP.

In order to trace the process of legitimation, I carried out a triangular strategy to assess the evolution of the state of legitimacy at different levels and dimensions of the legitimacy structure. Firstly, I traced the changes in the quantitative levels of support for key political actors and institutions in public opinion surveys, and the electoral performance of the political party system against the background of the incidence and depth of social conflicts

and protests in the country since 1971. Thirdly, I analysed the legitimisation, de-legitimisation and re-legitimisation discourses of different actors and organisations throughout the period by recourse to historiographical accounts, the official archival records of congress and the CA, press reports and the elite interviews obtained during the field work.

For legality, I departed from the theoretical postulate of primacy of the constitution over laws and executive acts, I analysed the legality of the most relevant political reforms in the period under study, as well as the most relevant decisions of the CT in relation to these legal changes.

## **9.1 Findings and Results for Part I**

In **Part I** of this thesis I applied the theoretical framework to situate the Bolivian case in a regional context (Chapter 2). I did so in order to demonstrate why the Bolivian case deserves in-depth scrutiny. Secondly, also based in the mentioned theoretical framework I carried out a cross-temporal comparison of two Bolivian state crises, the so-called Federal War of 1899 and the National Revolution of 1952 (Chapter 3).

### **9.1.1 Explaining the Gap between Legality and Legitimacy in Regional Perspective**

In Part I I demonstrated that the gap between legality and legitimacy is characteristic of Latin American politics and has been activated in critical junctures. In the late 1990s and early 2000s, against the background of an economic crisis, many governments that implemented neo-liberal policies, as well as political parties and parliaments suffered from a sudden decline in their levels of popular support throughout the region. Massive protests affected Ecuador and Argentina, forcing pro-market rulers to abandon power. Ecuador and Venezuela also experienced state crises and constitutional crises. However, only in Bolivia the crisis had reached such intensity as to bring the country to the verge of a civil war. Bolivia, thus, represents an extreme case of the gap between legality and legitimacy, which accounts for why the country registers the highest number of *coups d'état* in South America, and the third largest number of constitutional changes. This also explains why Bolivia experienced the precocious politicisation of the ethnic cleavage in the *Federal War* of 1899; as well as the fact that, together with Mexico and Cuba, Bolivia is one of the few countries that experienced a full social revolution.

### 9.1.2 Explaining the Gap between Legality and Legitimacy in Historical Perspective

The cross-temporal comparative carried out in Chapter 3 confirms the results expected under Hypothesis 3 of the present thesis. In both the *Federal War* of 1899 and the Revolution of 1952, the cleavage structure of society was disrupted by the combination of incremental social and political changes, and sudden economic and political shocks. The trajectory and nature of those shocks and their relation with the international political economy determined why the regional and the ethnic divide were more salient in 1899, and why the class struggle managed to absorb the aforementioned cleavages in 1952.

Hitherto isolated and internally fragmented ethnic, regional and class groups, through the impact of change, were unsettled in their relative positions in these episodes. In a first moment, new actors questioned the legitimacy of the political system, straining the relations between legality and legitimacy. Nevertheless, the system was rather successful in absorbing them. However, in a second moment, economic and political external shocks politicised the structure of cleavages and gave way to the rise of contending coalitions. These coalitions upheld contradictory legitimisation projects, which overflowed the legal structure in place at the time, opening a gap between legality and legitimacy. In the moment of the creation of coalitions, fragmentation gave way to polarisation, or a situation of a divided legitimacy completely detached from the legal system.

In a third moment, constituent assemblies or constitutional reforms were mechanisms chosen to close the gap between legality and these divided legitimacies; however, they failed in this regard. This was not the case because the parts in conflict resisted political compromise following legal rules, claiming to have a superior source of legitimacy. In sum, these *legal moments* failed because the gap between legality and legitimacy replicated within the forums opened in order to close it. In the absence of legality, these legitimacies entered open and violent conflict. The actors that were triumphant in moments of revolution or civil war were those better able to deploy a legitimisation discourse to forge an alliance between different sectors divided by the cleavages.

In a fourth moment, legitimacy proved insufficient to secure an institutional basis for political order. The *victorious* coalitions failed to transform their legitimisation claims into

a durable hegemonic project able to bridge the gap between legality and legitimacy. They faced internal fragmentation and failed to bridge the gap between legality and legitimacy; either by cementing the coalition behind a legitimating discourse underpinning a legal structure; or by the constitutional institutionalisation of long-term credible commitments with the *defeated*. The gap between legality and legitimacy, therefore, became a latent path-dependent feature of Bolivian politics, to be activated in moments when cycles of social change and external shocks impacted the structure of cleavages.

## **9.2 Findings and Results for Part II**

### **9.2.1 Explaining the Re-politicisation of Ethnicity and Regionalism**

Between 1952 and 1982, the process of legitimation operated through a clientelistic distribution of resources, from the state-led economy, to different functional segments in exchange for political support. At times, this support would take a plebiscitarian; but most of the time it would adopt the form of top-to-bottom mobilisation. In both cases, however, electoral or clientelistic legitimation bypassed the legally endorsed political institutions. The COB and the military, the only institutions able to claim a comprehensive representation of society would intervene to bring cohesion to these segments in moments of tensions surrounding the foundational source of legitimacy of RN – revolution or nationalism. Over the years, these informal institutions proved insufficient to create a legitimate political order for a society that was becoming more complex. Against this background, the crisis of hyperinflation triggered the legitimacy crisis of RN. This gave way to a new politicisation of the ethnic and regional divides.

Ethnicity was re-politicised through the rise of *katarismo*, which resulted from the crisis of legitimacy of RN within the organised peasantry. This happened as the agrarian reform failed to bring socioeconomic progress to the peasantry, and urbanisation failed to culturally integrate it under *mestizaje*. Following these de-legitimation claims, the CSUTCB-TK proposed to re-legitimate the state and the nation through the creation of a *plurinational state*, rejecting the idea of a *mestizo* nation coined by RN.

A second source of de-legitimation of RN was raised by the *civic committees*, led by the *Civic Committee of Santa Cruz*. When RN faced its legitimacy crisis, *civic committees*



transformed into a nation-wide demanding a political decentralisation of the state, in the form of elected departmental governments.

When the UDP and the COB failed to articulate a consensus to tackle the crisis of hyperinflation, the informal political institutions that shaped Bolivian politics as of 1952, collapsed. The hitherto ineffectual constitution of 1967 was then the only institutional structure still standing. Since this constitution regulated the political process through the rules of representative democracy, these became *the rules of the game*, side-lining the *other* institutions.

RN unleashed socioeconomic and cultural changes, amplified and redirected by neo-liberalism and other *glocal* driving forces. Between 1976 and 1992 Bolivia experienced a two-fold trend of rapid urbanisation by which Bolivians migrated from the country-side to the cities while, simultaneously, an important part of them migrated from the western highlands to the eastern lowlands. This demographic change has had no parallel in contemporary Latin America.

The country also witnessed the growth of the informal economy and a complex urban middle class. During the 1990s, poverty decreased, mostly in urban Bolivia; whereas inequality increased, especially in rural areas. These processes took place within a broader disjuncture between improvements in social development and modest economic growth. All the above, in conjunction with the collapse of the COB changed the nature of the class cleavage. The vertical conflict between labour and capital, mediated by the state, was intersected by a horizontal divide between those inside and those outside the formal economy.

A major shift occurred with the transition from an economy dominated by the mining sector, situated mainly in the highlands, to a more diversified economy in which the eastern lowlands became the most prosperous. Neo-liberalism amplified this trend by boosting the growth of the eastern lowlands as the country exported soy and gas. This added a further layer of complexity to the class cleavage and, more importantly, renewed the political salience of regionalism.

The convergence of decentralisation and multiculturalism also impacted the ethnic cleavage. These changes intersected the endogenously envisaged PPL, by which the country was territorialised in municipalities towards which a part of the public budget was channelled for public investment in social policy. All the above, in sum, renewed the political salience of the ethnic cleavage.

New actors emerged out of these processes of social change. The political system installed in 1985 had to cope with them. However, both the party system and the constitution were born during RN. The internal structures of these parties were more in tune with centralised decisions, clientelism and corporatism, than with competitive elections. Furthermore, the constitution of 1967 endorsed the RN project of a centralised bureaucracy and a *mestizo* nation. Nevertheless, proposals for the creation of a plurinational state and departmental governments emerged on the eve of the collapse of RN. These agendas were clearly at odds with the principles underpinning the 1967 constitution, reflecting the re-emergence of the regional and ethnic cleavages.

The constitutional reform of 1994 partially articulated legality with these emerging re-legitimation demands. Since the reform was carried out, for the first time, following the rules established in the constitution itself, legality and legitimacy seemed to converge. The most audacious and radical of these reforms was the PPL, linked to the establishment of SMDs to elect half of the lower chamber. The MNR, led by Sánchez de Lozada, pushed for these reforms to regain the legitimacy of the MNR in the rural areas and to weaken the powerful sectors pushing for departmental decentralisation.

The reformers didn't account for the important internal transformations that the so-called *traditional parties* would have to undergo to adapt for the opening of 311 local spaces in which they would have to compete with the legitimacy of local organisations. Traditional parties were not able to adapt to these changes because they empowered local leaders and organisations. Therefore, political parties suffered from an increasing deterioration in the volume and territorial reach of their support. On the contrary, the peasantry and amongst them the coca-growers' movement displayed an impressive adaptability to a changing context, thanks to their organisational complexity and their territorial reach, and their ideological flexibility by which they combined class and ethnicity. They gained legitimacy

by combining the politics of mobilisation with the creation of their own political organisations to participate in elections.

The PPL and the adoption of SMDs had thus unintended consequences. They opened the window for the rise of neo-populist and anti-systemic leaders in urban areas; whereas in the rural ones it gave way for indigenous, peasants and coca growers to progressively seize control of the municipal governments. These leaders, standing upon the shoulders of a successful decentralisation of politics, would soon question the legitimacy of the neo-liberal project, of the political parties and congress, and finally of the state itself. By doing so they would re-open the gap between legality and legitimacy.

On the eve of the 21<sup>st</sup> century the country was experiencing a structural paradox by which, through the impacts of *glocal* socio-economic change, it was becoming more urban, with an economy leaning towards the eastern lowlands (Fernandez, 2009); whereas *glocal* waves of political and cultural change were turning political power more rural (Zuazo, 2012) and leaning to the western highlands. This paradox, finally, gave way to changes in the balance of powers of society and to changes in the salience and later politicisation of the cleavage structure.

### **9.2.2 Theoretical Implications**

The theoretical results of the analysis undertaken in Part II confirm the results expected under Hypothesis 2.a of the present thesis. Between the mid-1970s and the present century, Bolivia experienced rapid, intense, and volatile processes of social change resulting from the modernisation cycle unleashed by RN and the *glocal* impacts of social change triggered by neo-liberalism. These changes disrupted the relative positions of different socio-economic sectors, regions, and ethnic groups. Moreover, as expressed in Hypothesis 2.b of the thesis, the political party system in charge of transforming demands into laws and policies, progressively failed to adapt their centralised structures to these changes, especially when these parties reformed the constitution, decentralising the territorial structure of legitimation. In sum, the disjuncture between the decentralisation reform and the centralised structure of political parties, in a rapidly changing society, created the conditions for the legitimacy crisis of the state and political institutions between 2000 and 2008, as is theoretically postulated by Hypothesis 2 of the present thesis.

## 9.3 Findings and Results for Part III

### 9.3.1 Explaining the Bolivian State Crisis of 2000-2008

The analysis carried out in Part III confirms the results expected under Hypothesis 1 of the thesis. During the 1990s, thus, despite the progressive de-legitimation of the so-called traditional parties, they managed to absorb the impact of the challenge of the first wave of anti-systemic outsiders by co-opting them into *pacted democracy*. Nevertheless, in a second moment, the external shock of the *Asian economic crisis* seriously undermined their legitimacy. The negative impacts of neo-liberalism were amplified; whereas the positive ones were suddenly halted. *Pacted democracy* then faced a de-legitimation spiral. The formation of parliamentary coalitions, historically successful in tackling economic and political instability, accelerated the crisis because the population associated the economic crisis with the failure of neo-liberalism, the latter with *pacted democracy* and *pacted democracy* with corruption, which in turn was to be blamed for the lack of state response to the economic crisis.

Lacking legitimacy, Sánchez de Lozada – 2002-2003 – relied on coercion to confront social mobilisation. The result was a further escalation of violence and de-legitimation, since the violent state response alienated broad segments of the population. The legal system became ineffectual as large segments of the population acted outside legality to advance what they deemed as legitimate claims. Consequently, except for the local governments, many of which were captured by anti-systemic forces, the entire structure of legitimacy collapsed.

The hitherto marginal demand for the need of a CA, became the umbrella under which a motley configuration of organisations, hitherto isolated behind the ethnic and popular divides, coalesced to demand the re-foundation of a plurinational state with a renewed presence in the economy, a demand known as the *October Agenda*. As a reaction, a counter-movement emerged in the eastern lowlands, demanded the re-foundation of an autonomic state. This demand was later known as the *January Agenda*, behind which sectors of society hitherto isolated behind the regional and class divides coalesced. The downward spiral of de-legitimation then gave way to an upward spiral of re-legitimation.

The *October* and *January Agendas* were upheld by actors highly affected by social and political changes analysed in Part II. It is not a coincidence thus, that these agendas were forged in El Alto and Santa Cruz. Other relevant actors in the critical juncture such as the coca growers, indigenous organisations like CIDOB and CONAMAQ, are as well tributary to the impacts of *glocal* change.

In a first stage of the crisis from 2000 to 2005, I demonstrated that legality and legitimacy diverged in their paths because the re-foundational demands of these *two agendas* were adopted bypassing the constitution. Once these re-foundational agendas were adopted, the dynamic of the gap between legality and legitimacy took a different trajectory; one by which legality was subordinated to the impulses of these agendas for the re-legitimation of the state.

After the election of Evo Morales as president, and the novel election of prefects in 2005, fragmentation gave way to polarisation. Different institutions of the state such as congress, the executive branch, the judiciary, and the electoral court were captured by the blocs in conflict and experienced conflicts within and between each other. The CA was then envisaged as the space to connect these legitimacies in course of collision, with a new legality. Nevertheless, the CA failed in this regard because the gap between legality and legitimacy replicated inside it. Both parts saw their claims of being the legitimate agents of change as superior to the legal rules, which, following the 2004 constitution and the LCCA, both had endorsed only months before, when the gap was close to closing. The majority sustained the argument that their foundational claims gave them the status of original and plenipotentiary constituent power and, therefore, the right to ignore any legal limit.

Hence the MAS-IPSP and its allies sought to impose their vision of the country; whereas PODEMOS and the *half moon*, moved to boycotting the CA. After the fall of the CA, the parts entered a naked power struggle in which they sought to legitimise them to the point in which they could *defeat the enemy* by mobilising their constituencies in the streets and testing their popular support in – at times illegal – electoral events. The lack of cohesion within the civic-regional bloc left the majoritarian indigenous-popular bloc, closer to victory.

Nevertheless, notwithstanding which part won the struggle for legitimacy, in the absence of legality, the spiral of legitimation and conflict soon turned into a spiral of legitimation and violence. The patterns of violence shifted from a state vs. society dynamic, passing through a society vs. society one, to finally end up in a state/society vs. state/society confrontation. The gap between legality and these contending legitimacies installed itself as the driving force of the overall social system, pushing the country to the verge of civil war.

### **9.3.2 Theoretical Contribution and Implications for Democratic Theory**

The research carried out in the present thesis resonates with the theoretical debate on democratic theory. During the 1990s O'Donnell (1994, 1999) identified a trend in Latin American politics, according to which many new democracies in the region were characterised by what he called a legitimate delegation of power. This feature was characteristic of dysfunctional democratic regimes or *delegative democracies*, analysed in Section 1.3.3. In a similar vein, Zakaria coined the term illiberal democracies to describe countries in which elections empower leaders who undermine the rule of law. The theoretical framework developed in the present thesis, namely the revised version of Huntington's theory under the framework of the gap between legality and legitimacy, brings a novel contribution to explain the mechanisms through which a country may move between the categories of an institutionalised or liberal democracy, and a *delegative* or illiberal democracy. The latter, moreover, are not the only possible outcomes of the unravelling of a gap between legality and legitimacy. I believe, thus, that the gap between legality and legitimacy approach captures more manifestations of the disjunctions between social change and politico-legal institutions than the notions of *delegative* and illiberal democracy.

In Chapter 6, I identified a causal mechanism by which an external socioeconomic shock, impacting on an unsettled structure of cleavages, triggered a spiral of de-legitimation leading to a breakdown of legality in a self-reinforcing way. This happens when a legal system loses legitimacy. In order to sustain itself the system will rely on coercion, which led to increasing levels of vertical violence in the state-society relations. These conditions can hamper democracy either through the collapse of elected regimes, as it happened in

Bolivia in 2003 and 2005, or by an authoritarian *response to chaos, in the name of law and order*.

Chapter 8, furthermore, shows that in the absence of a legal order able to contain deeply divided re-legitimation agendas; legitimization can easily turn into violence between sectors of society. *Glocalising* societies are extremely complex and claims justifying the right to rule are becoming highly fragmented and volatile. Under these conditions, in the name of an allegedly superior legitimacy, mobilisation can easily turn violent. Electoral solutions to conflict can actually work as accelerators of violence, if they are not regulated under the principles of the rule of law and adjudicated by an impartial third party. Elections can lead to the capture of different state agencies by these conflicting segments; hence the state itself can get caught in horizontal violence, a situation that could finally lead to a civil war. That is why the intervention of the international community, as a mediator, and the fact that congress resumed the constituent power to articulate both agendas, redirected the Bolivian conflict through peaceful means, because it partially re-articulated these re-legitimation claims with the principles of the rule of law.

Chapter 7, following this line of argumentation, shows that legality and its principles are institutional devices for conflict resolution, even in conditions of conflicts surrounding the basic values in a polity. Furthermore, the overall balance of the present thesis spells out the lesson that even though both legality and legitimacy are necessary conditions for democracy to work; they are not sufficient, on their own, for the consolidation of democracy. In critical junctures, legality without legitimacy can lead to the collapse of elected government; or to authoritarian restorations of *law and order*. On the other hand, legitimacy without legality, especially when the former is divided, can lead to civil wars or also to authoritarian restorations of order, sustained by plebiscitarian means.

## **9.4 Avenues for Further Research**

During the present research, I identified two interrelated features of the Bolivian political process that could constitute future avenues of research for Bolivia and beyond. Following Levitsky and Helmke (2004; 2006), I stressed that informal institutions can complement or compete with formal ones. Furthermore, during the historical development of the Bolivian

state many informal institutions had emerged and installed themselves as legitimate parallel channels of communication between the state and society. Sometimes these institutions had competed with the formal ones, but in other moments they have complemented them.

Moreover, I think that the so-called *cabildos* deserve special attention due to the role they played in critical junctures. What is less clear, however, is whether the role of *cabildos* is complementary or competitive with the formal institutions of democracy. I consider that they have played both roles depending on the context, and we should enquire, using the tools of comparative politics, why this has been the case.

I also analysed the role of the formation of coalitions during state crises, the most successful of which have always been those able to bridge the cleavage structure. In the particular case of the state crisis of 2000-2008, the MAS-IPSP demonstrated an impressive capacity to build a coalition between indigenous, peasant and popular segments under a comprehensive discourse for the re-foundation of a plurinational state. The flexibility of this organisation seems even more impressive if we analyse the way in which this *political instrument* has been able to navigate between the formal and informal institutional landscape. The MAS-IPSP became hegemonic by keeping one foot in the realm of legitimation and the other in the realm of legislation. I think that the study of this political organisation and similar parties in the region could shed light on the role of agency within the gap between legality and legitimacy.

Finally, beyond the introduction of a novel explanatory account of the Bolivian state crisis, the present study is relevant because it could shed light on an unravelling regional and global trend. There is a growing distance between those who understand that democracy is mainly about the legitimation of government – through elections, plebiscites, referendums, or popular mobilisation, and those who think that democracy is primarily about pluralism and constitutional government. State crises, civil unrest and the recourse to *constituent assemblies* have constituted the empirical battlefield surrounding this debate. The present thesis has provided theoretical, empirical and methodological contributions to understand the role of legality and legitimacy for the consolidation of democracy in changing societies.



## Epilogue

### **Is Bolivia Closing the Gap between Legality and Legitimacy under the Constitution of 2009?**

The approval of a new constitution by more than 60% of the Bolivian electorate, in January of 2009, created a historical window of opportunity to close the gap between legality and legitimacy. I have argued in Chapter 8 that this was the case because the final text resulted from the parliamentary agreements that redirected the constituent process towards a point of intersection between the constitution and the legitimacies in conflict during the crisis.

This consensus was backed by a political compromise by President Morales agreed on seeking merely a single re-election under the new constitution. In exchange, the opposition agreed to scale down their demands for fiscal powers for the autonomous departments and to discuss the substantive disagreements on the issue in a future law on autonomies, to be passed by a new congress.

The constitution of 2009 created fundamental changes in state-society relations. The Bolivian republic gave way to the plurinational state of Bolivia. Hence, Bolivia is nowadays

“...constituted as a Unitary, Social, Pluri-national, Communitarian state under the law (*Estado Unitario Social de Derecho Plurinacional Comunitario*) that is free, independent, sovereign, democratic, inter-cultural, decentralised and with autonomies. Bolivia is founded on plurality and on political, economic, juridical, cultural and linguistic pluralism within the process of integration of the country” (Article 1, Bolivian Constitution of 2009).

Although the constitution approved in 2009 reflects the balance of powers between the two re-foundational agendas in conflict between 2000 and 2008; it is clear that the indigenous-popular bloc won the struggle, and that is why the state is defined as plurinational and communitarian. Nevertheless, the constitution also recognises the existence of autonomies at different levels, as one of the characteristics of this state. This reflects the fact that the civic-regional bloc commanded the support of large segments of the population. Moreover, despite the fact that more than 60% of the electorate legitimised the constitution, it was not

approved in the departments of the *half moon*, whose civic leaders and prefects openly campaigned against its approval. This gave way to the collapse of PODEMOS and the emergence of different segments in opposition to the MAS-IPSP at the local and national levels. Therefore, the tension between the blocs in conflict during the state crisis is present in the text of the constitution. Contradictions between the indigenous and the popular segments of the hegemonic bloc are also reflected inside the founding document.

As I have shown in Chapter III, there is a historical pattern in Bolivia when it comes to post-conflict situations, in which victorious coalitions were in the position to close the gap between legality and legitimacy. These coalitions could have closed the gap by coming closer behind a legitimating discourse, upon which they could build a legal structure, and remain within its boundaries. They could have also opted for the constitutional institutionalisation of a long-term credible commitments with *the defeated*. However, it seems that internal conflicts made impossible for these coalitions to advance either of these strategies. One segment moved to the extreme of the constitutional limits; while the leading segment struggled to consolidate its dominant position of legitimate leadership, also at the fringes of legality.

The gap between legality and legitimacy, as a consequence, became a latent and path-dependent feature of the Bolivian state-society relations, to be activated when the country faces the impacts of social change and external shocks in the underlining structure of these cleavages.

This epilogue will briefly discuss the period after the approval of the constitution of 2009, to see if Bolivia is moving towards a closure of the gap between legality and legitimacy. In order to do so, I will trace the evolution of the patterns of social change analysed in Chapter 4, to see if they have varied as to affect the structure and dynamic of social cleavages. I will trace the effects of these changes in the structure of legitimacy and the process of legitimation vis-à-vis the legality established by the constitution of 2009.

## **Social Change under Conditions of Unprecedented Wealth**

During the last decade, Latin America has experienced a period of exceptional socioeconomic development. Bolivia, moreover, has been one of the countries that benefited the most from this trend.

On average, Latin America grew at 4% between 2003 and 2013, a period comparable to the golden decades of the 1960s and 1970s (HDRLA, 2016). Bolivia, Peru, Paraguay, Uruguay and Colombia have registered one of the highest rates of GDP growth in the region. Furthermore, Bolivia has occupied the unprecedented first place in economic growth in 2009, 2014 and 2015 (Bolivian Ministry of Economics, 2016). 72 million people escaped poverty in Latin America between 2002 and 2013, reducing the percentage of the poor population from 42% to 24%. The trend has unleashed an unprecedented enlargement of the middle class, which nowadays accounts for more than one-third of the entire population, as opposed to 2002 when only two out of ten Latin Americans were part of the middle class. Between 2002 and 2013, the Andean region surpassed the average Latin American countries when it comes to poverty reduction. In Bolivia, moreover, the population living in poverty was reduced from more than a half to less than a quarter during this period

In Chapter 4 I analysed the trajectory of six key trends of social change that transformed the Bolivian society in the last decades of the 20<sup>th</sup> century, namely i) the diversification of the economic structures and the enlargement of the middle class; ii) a sustained trend of social development, which was unmatched by a volatile and modest economic growth; iii) the geo-economic rise of the south-eastern lowlands, particularly the department of Santa Cruz, as the economic propeller of the country; iv) a process of rapid migration which occurred in a double dynamic, from rural Bolivia to urban Bolivia, and from the western highlands to the southern lowlands; v) the growing informality of the Bolivian economy, and vi) a reconfiguration of the relationship between class and ethnicity. I have also mentioned that the impact of the *Asian Crisis* triggered a situation in which inequality, informality and unemployment reached high peaks, whereas poverty reduction was suddenly halted.

How were these trends affected by the last decade of economic prosperity in Bolivia? Bolivia expanded the size of its middle class in 17% between 2002 and 2013, occupying the fifth position in the region in this regard (HDLA, 2016). Moreover, while four in ten Bolivians lived in extreme poverty in 2007; nowadays only two in ten fall into this category, the highest reduction of extreme poverty in the region (Bolivian Ministry of Economics and Finance, 2016). Bolivia also managed to close the wide gap between social and economic development between 2005 and 2013. Overall, the country passed from scoring 0.65 to 0.77 in the Human Development Index; moreover, the longstanding gap between the social and the economic components of human development was reduced from 0.159 in 2005 to 0.05 in 2013 (HDRB, 2016).

The Department of Santa Cruz is indisputably the engine of economic growth of the country, followed by La Paz and Cochabamba. Santa Cruz de la Sierra and El Alto are now the largest urban centres of the country. However, unlike what happened between the late 1970s and the late 1990s, the pace of urbanisation has diminished and stabilised, as the percentage of the population living in cities increased from more than 64% in 2005, to 67% in 2012 (Ibid).

While inequality in Latin America reached its higher levels during the the late 1990s, it has diminished dramatically between 2003 and 2013. Between 1999 and 2013, inequality went from 0.55 to 0.49 points in the Gini index. Most of this variation took place between 2003 and 2013. Throughout this period, Bolivia was one of the most successful countries in terms of the reduction of inequality, after Nicaragua, Argentina and Venezuela (HDLA, 2016).

For what was described so far, it is clear that both Latin America and Bolivia experienced a new cycle of socioeconomic change that redirected the trajectories experienced during the last decades of the 20<sup>th</sup> century. Moreover, the damaging effects of the economic crisis of the early 2000s were clearly reversed. Nevertheless, amidst all of these changes, one factor remained static, the large size of the Bolivian informal sector, which concentrated around 60% of the Bolivian working force between 2001 and 2012.

I mentioned in the thesis that these changes led to a paradoxical situation: as the country became more urban and its economic centre of gravity shifted towards the eastern

lowlands, it became politically and culturally more rural, as indigenous and peasant organisations, mostly concentrated in the western highlands and valleys, created a hegemonic block behind the MAS-IPSP. The constitution of 2009 defines the Bolivian people as “... formed by all Bolivians, the indigenous-peasant nations and peoples, the intercultural and Afro-Bolivian communities” (Article 3). Article 2 of the constitution establishes the key component of plurinationalism, namely the right to self-governance and autonomy for the indigenous-peasant peoples and nations, based on their own institutions and customary norms. Finally, the constitution recognises as official Languages, besides Spanish, thirty-six indigenous languages. The constitution also recognises most of the demands for departmental autonomies. In sum, the constitution has institutionalised the above-mentioned tension between socioeconomic and politico-cultural change. This is the new socioeconomic and politico-institutional context in which social cleavages, legality and legitimacy have interplayed in the years after 2009, a dynamic that I analyse in the following sections.

### **Legitimacy and Legitimation**

After the state crisis of 200-2008, the dynamics of legitimation have shifted as the indigenous-popular bloc has become predominant under the leadership of Evo Morales. On the other hand, the civic-regional bloc experienced decomposition and fragmentation. However, the MAS-IPSP has also struggled with internal conflicts between the indigenous and the popular-urban segments of its constituency, it dealt with them rather successfully. Against the background of these new tensions in the structure of cleavages, I will analyse the dynamics of legitimation under the constitution of 2009, following the legitimacy structure<sup>107</sup> developed in the theoretical framework of this thesis.

Regarding the **regime performance**, the unprecedented levels of socioeconomic wellbeing of the last decade have granted the Morales’ administration high levels of popular approval, an important indicator to assess the performance legitimacy of the regime, according to the structure of legitimacy developed in Figure 1, Section 1.3.3. The Morales administration, as other governments in the region, implemented policies aimed at combining growth and

---

<sup>107</sup> See Figure 1

distribution. In the last decade, Latin America has become the most inclusive region in the world, thanks to a large extent to the use of conditional cash transfers (HDRLA, 2016; Farthing and Kohl). The MAS-IPSP has created the *Bono Juancito Pinto* for school children, *Bono Juana Azurduy* for mothers with infants. It has expanded credit through the Productive Development Bank and provided state support for municipalities, universities (Cameron and Tockman, 2014) and social movements through the programme called *Evo Cumple*. Finally, part of the gas exports' revenues nowadays go the Indigenous Fund – *Fondo Indígena*, to boost indigenous development.

The MAS-IPSP and Evo Morales, have become the most legitimate **political actors in Bolivia**. The Bolivian government enjoyed one of the highest levels of approval in the region in 2009 and 2013 (Latinobarometer, 2013). In 2015, the Morales administration had the highest rate of approval in the entire region (El Economista, 2015). These high levels of performance legitimacy led the MAS-IPSP to win the general election of 2009 with 64% of the popular vote and the election of 2014 with 61% (TSE/UNDP). On the other hand, the opposition remained fragmented and weak. In the elections of 2009, three prefects that were part of CONALDE joined forces to confront Morales. Manfred Reyes Villa was the presidential candidate of the opposition. Leopoldo Fernandez, already in jail and waiting for a trial accused of being the main actor responsible of the violence in Pando in 2008, was his running mate. These actors used the political organisation of the former prefect of La Paz – PPB-CN – Jose Luis Paredes, as their electoral platform. Rivalries between these prefects and Samuel Doria Medina, made him decide to run independently as the leader of UN. PPB-CN obtained 26% of the votes and UN almost 6%. More importantly, the MAS-IPSP controlled two thirds of the seats in congress (Ibid). This gave the party the opportunity to shape all of the secondary legislation needed to develop the constitution, and to appoint the heads of the electoral tribunal, the Judiciary and other strategic authorities, creating new tensions between legality and legitimacy.

In 2014, the opposition remained divided. Doria Medina reached an agreement with the Prefect of Santa Cruz and former member of CONALDE, Ruben Costas, and his newly founded party called DEMOCRATAS. The alliance, called Unidad Demócrata, obtained only 24% of the popular vote. However, Jorge Tuto Quiroga re-emerged in the political

scene and ran for the presidency representing the Christian Democracy, CD, obtaining more than 9% of the votes. The MAS-IPSP focused its campaign in appealing to the middle classes under the discourse of economic stability and prosperity. This paid well since the party won for the first time in Santa Cruz and controlled two-thirds of congress once more. The delivery of prosperity, redistribution and political cohesion explain the successful legitimisation strategy of the MAS-IPSP. On the other hand, although close to 40% of the population seems to consistently reject the project of the MAS-IPSP, no political actor has been able to represent this segment of the population.

The success of the MAS-IPSP, however, is not a given. The segments that support the party uphold contradictory claims. Conflicts have periodically erupted between the miners employed by the state-owned company COMIBOL, unionised under the umbrella of the FSTMB/COB, and those who are self-employed and work under the cooperative system, organised through an encompassing organisation called FENCOMIN. The cooperative miners constitute a very powerful force. Their more than a hundred thousand affiliates were strategic in the fall of Sánchez de Lozada. In exchange of their support the government has given them many benefits. Cooperatives don't pay taxes and pay less royalties than the private and public companies. One of the first Minister of Mines under Morales was a cooperative miner and Morales created the Vice-Ministry of cooperatives. Moreover, seven leaders of the cooperative sector are currently MPs, officially representing the MAS-IPSP (BBC). This *preferential treatment* created tensions between the COB and the Morales administration. At some point the COB wanted to break with the government but later, in 2010, the COB formalised an alliance with the MAS-IPSP. The MAS-IPSP navigates between these two uncomfortable allies. In 2006, unionised and cooperative miners clashed violently for the control of exploitation areas in a state-owned mine called Huanuni (Farthing and Kohl, 2014), leaving sixteen miners dead (Crabtree and Chaplin, 2013:87).

In 2016 conflict resumed as the government tried to change the law to allow the cooperative working force to unionise, and to forbid cooperatives to partner with private companies. FENCOMIN responded with road blockades. Clashes with the police left four miners dead. The cooperative miners managed to take hostage the Vice Minister of the interior. Later, they killed him in a shocking episode (BBC). The support of the cooperative sector

represents hundreds of thousands of votes for the government. Moreover, they have a huge potential for violent struggle due to their access to explosives. Access to economic benefits in exchange of support for the government is a widespread form of legitimation for the ruling party. This corporatist type of legitimation is one way in which the MAS-IPSP deals with the heterogeneity of its constituency. However, the conflict analysed above shows the limits of corporatist legitimation, especially when it comes to sectors competing for rents generated by the exports of commodities, some of which operate in the formal economy; while others operate in the informal sector, reproducing the horizontal tension within the class cleavage, inside the popular constituency of the MAS-IPSP.

Regarding the **legitimacy of local governments**, the new constitution created a very complex decentralised structure. Legitimation takes place at the level of **local, departmental, and indigenous autonomous governments**. The constitution enhanced the autonomy of municipalities and created departmental governments. The constitution also created indigenous autonomies within which indigenous and peasant nations and peoples are entitled to have their own political and judicial institutions, based on their customary norms. The routes to the creation of indigenous autonomies are the conversion, through a referendum, of existing municipalities, the conversion of TCOs, renamed TIOCs<sup>108</sup>, or the aggregation of indigenous municipalities in regional indigenous autonomies.

The MAS-IPSP opposed the creation of departmental autonomies in the referendum of 2006. Consequently, La Paz, Cochabamba, Oruro, Potosi and Chuquisaca rejected their adoption whereas they were accepted in the *half moon*. After 2009, the MAS-IPSP saw that it was extremely complicated to govern two diverging systems. Thus, in December 2009 the government called for a new referendum in the highlands, and this time actively campaigned in favour of creating departmental autonomies, which were accepted by around 80% of the electorate (TSE/PNUD). The government appropriated the key element of the legitimation discourse that gave cohesion to the *half moon* during the state crisis. Whereas the notion of creating departmental autonomies was contested during the state crisis, after 2009, the idea was legitimised throughout the Bolivian territory.

---

<sup>108</sup> Territorios Indígena Originario Campesinos.



Municipal and departmental political systems have emerged in this new context. In all of them, the MAS-IPSP is a pivotal component, either as the government or as the main opposition force. In 2010, the MAS-IPSP managed to win the departmental elections in Pando; whereas Santa Cruz, Beni and Tarija remained in the hands of leaders that once belonged to CONALDE. Later on, the governor of Beni, Ernesto Suárez, resigned and the Prefect of Tarija, Mario Cossío, obtained political asylum in Paraguay. The MAS-IPSP later won the ensuing election in Tarija, but failed to win Beni. In the elections of 2015, the MAS-IPSP managed to win in Beni, but lost Tarija to a former advisor of Cossío, Adrian Oliva. The MAS-IPSP also lost La Paz to a former ally, Félix Patzi, who ran for Sol.bo, the new party of the Mayor of La Paz, Luis Revilla. Although there is not a united opposition front at the national level, leaders and organisations that once formed part of CONALDE continued their struggle with the MAS-IPSP at the departmental level. The actor who carries this struggle more successfully is Ruben Costas from Santa Cruz, in power for the last ten years. The party he founded, DEMOCRATAS, has managed to articulate a national alliance with *UN* and to expand the presence of his party beyond the eastern lowlands, winning for example, the last municipal elections in Cochabamba in 2015.

The MAS-IPSP is also the main actor in municipal politics. It has won approximately two-thirds of all municipalities in the elections of 2010 and 2015, especially in the rural area. It is in the large urban centres, however, that the ruling party faces challenges. Out of the nine departmental capitals plus El Alto, the MAS-IPSP only won three in 2010, and two in 2015, losing this last time El Alto to a young female leader representing *UN*, Soledad Chapeton. Luis Revilla won in La Paz in both occasions. These leaders are ideologically opposed to the MAS-IPSP and have national ambitions. Morales is conscious of this. For example, he personally attended the last campaign rally in El Alto, endorsing his candidate Edgar Patana and warning the voters that losing El Alto would put at risk the whole process of change (America Economía, 25-03-2015). In 2015, Revilla invited Félix Patzi, an indigenous leader and former ally of Morales, to run for Governor of La Paz, with surprisingly successful results. Patzi openly declared that he wants to challenge Morales in a general election. In sum, it is clear that a large part of the electorate that opposes the MAS-IPSP is constituted by the growing urban middle classes. The MAS-IPSP also faces

challenges from former indigenous allies. More importantly, it seems that there is space for alignment between both sectors. Nevertheless, no organisation seems capable yet of coalescing these sectors under an alternative legitimisation discourse.

Indigenous autonomies are the backbone of plurinationalism. Furthermore, since 140 out of the 339 municipalities are thought to contain more than 90% of indigenous inhabitants (Farthing and Kohl quoting Albo, 2014), the potential for transformation of municipalities into indigenous autonomies is enormous. Nevertheless, only 18 municipalities called for a conversion referendum, out of which 11 cases won the proposal (Ibid; Crabtree and Chaplin; Cameron and Tockman, 2014). The demographic assumptions mentioned above are based on the results of the census of 2001, in which more than 60% of Bolivians self-identified as indigenous. The census of 2012, on the other hand, asked if the respondents self-identified as members of one of the indigenous nations and peoples listed in the constitution. Only 40% of the respondents identified with one of these collectivises (Bolivian Census, 2012). Evidently, not every person who thinks herself as having an indigenous identity embeds this identity within an indigenous nation, the pillars for indigenous autonomies and the plurinational state. This might partly explain the low levels of adoption of indigenous autonomies. Moreover, there seems to be a tension between the plurinational and national-popular components of the MAS-IPSP's legitimisation discourse when it comes to the role of the state in development, which might also contribute to the above.

The high levels of legitimacy of the Morales administration are founded on its capacity to deliver prosperity by controlling the extraction, exports and redistribution of the rents generated by non-renewable resources. On the other hand, the principle of *vivir bien* enshrined in the constitution sustains that, historically, indigenous peoples have developed a sustainable and harmonious relationship with the environment. Extractivism is in tension with *vivir bien*. However, according to Vice President García Linera Bolivia will remain extractive at least for a couple of decades, "because [extractivism] is a longstanding legacy and the only way to provide for the necessary resources to take Bolivia to the age of the knowledge society" (La Razón, 18-08-16).

In sum, under the new decentralised structure municipalities and departmental governments remain highly legitimate. Indigenous autonomies, on the other hand, seem to attract less popular support, at least for now. Local and departmental governments are spaces through which the MAS-IPSP is successfully legitimising its regime, in competition with a myriad of subnational and local forces. It seems that in what was the *half moon*, the contending agendas of the state that plaid out during the state crisis are still in tension; while in the larger cities, tensions between the new middle classes and popular sectors seem to emerge. However, due to the fragmentation of the opposition, no actor has capture these urban and regional interests within an alternative legitimization discourse.

**Regarding the legitimacy of political institutions**, the constitution and the new electoral law recognise, in equal measures, three types of democratic institutions: representative, participatory and communitarian. Participatory democracy has been enhanced through the adoption of electoral rules favouring presidentialism and the constitutional recognition of different types of referendums and other participatory mechanisms. The constitution has also elevated the electoral tribunal to the same hierarchy as the executive, legislative or the judiciary. The members of the latter, furthermore, are pre-selected by two-thirds of parliament and elected later by popular vote, a radical reform with no parallel in the world. To fulfil the plurinational principle, indigenous legal systems were elevated to the same hierarchy of western legality, Moreover, indigenous peoples are granted special quotas in the electoral tribunal and the judiciary.

The blocs in conflict during the state crisis agreed on the need for participatory institutions to overcome the limitations of *pacted democracy*. However, after the collapse of PODEMOS, the MAS-IPSP used its majority in congress to shape the legal development of political institutions in its own advantage, even trespassing the constitutional limits. The constitution establishes that half of the lower chamber shall be elected under proportional representation; whereas the other half through SMDs. It also created, using a vague language, special indigenous districts, in rural areas, for minorities to be granted direct representation in congress (Article 147). However, the relation between the three types of institutions was left to further legislation. The MAS-IPSP, now in control of two-thirds of the legislative assembly, was in charge of the legislative development of this Article.

CIDOB and CONAMAQ demanded the creation of special indigenous seats for the 36 indigenous nations and peoples mentioned in the constitution. The MAS-IPSP opposed this demand, and a conflict followed. After difficult negotiations, the indigenous organisations obtained seven special districts. Since the government refused to increase the overall number of MPs, the law took the seven districts from the 65 seats to be elected under proportional representation. Furthermore, without explanation, the electoral law raised the number of SMDs to 70, reducing the number of proportional representatives to 53 (Law 026 of the electoral regime, Bolivia). These reforms were clearly biased in favour of the rural population and political majorities. In both regards the MAS-IPSP had an advantage.

A similar situation took place when it came to the newly created departmental assemblies. Since most departments have yet to approve their statutes, the legislative has been in charge of provisionally defining their electoral systems. The bias in favour of the rural representation is even more pronounced. In La Paz, for example, the electoral rules are designed in a way that two-thirds of the departmental assembly is elected by the rural population; which constitutes only a third of the population (Bonifaz, Forthcoming).

The Census of 2012 confirmed that two-thirds of the population is urban, and that Santa Cruz is almost as populated as La Paz. The electoral law established that the seats allocated to each department should be redistributed according to the census results. After the mostly urban population of Santa Cruz demanded more MPs, the departments were granted three new MPs representatives. This shows that, in general, the urban population demands a more balanced system of representation, which can create pressure and limits to the pro-rural legislative agenda of the MAS-IPSP.

In sum, Bolivia adopted these participatory and direct democratic rules to overcome the legitimacy crisis of representative institutions. Furthermore, since the civic-regional bloc collapsed after 2009, the legislative development of these rules was shaped by the hegemonic parliamentary majority of the MAS-IPSP. Nevertheless, since the MAS-IPSP faces internal tensions between sectors pushing for the consolidation of plurinationalism and others pushing for the consolidation of a national-popular project, these tensions have also influenced the legislative development of these political institutions. All of the above results in the creation of electoral rules favouring political majorities and the rural

population. However, these biases face the structural limits set by a society that becomes more urban, with a larger middle class and an economy leaning to the eastern lowlands.

**Regarding the legitimacy of the state and the nation**, the analysis carried out until now, lead us to conclude that the balance of powers that led to the transition to a plurinational state, strong in the economy and the redistribution of wealth, and with autonomies, faces challenges for the consolidation of its legitimacy. Regarding the autonomic component of the new state, even though every department has now an elected government, the full implementation of autonomies is very slow. The relationship between the central government and the departments controlled by the opposition is tense.

There are also tensions between those promoting plurinationalism and those in favour of a national-popular regime within the MAS-IPSP. This tension became evident during the conflict that erupted between CIDOB, CONAMAQ and the government. The latter plans to build a road through the indigenous territory and natural reserve called TIPNIS, in an attempt to connect the highlands and the lowlands bypassing Santa Cruz. The objective is to integrate these regions, but this is also an attempt to weaken the historical link between the elites of Santa Cruz and Beni. The indigenous sectors, however, feared that the migration of agricultural settlers and coca growers would be facilitated by the highway. Violent skirmishes between coca growers and indigenous inhabitants had already taken place in an area of TIPNIS. In 2011, CIDOB and CONAMAQ marched to La Paz “to protest the lack of prior consultation on road construction required by the 2009 constitution and the 2007 UN Declaration of Rights of Indigenous Peoples” (Farthing and Kohl, 2014:53). When the march reached La Paz, after being violently repressed by the police, it was joined by a massive urban demonstration. The government reacted by withdrawing its plan. However, parallel peasant organisations living in TIPNIS made a pro-road march. The government then carried out a consultation in which the construction of the road seemed conditioned to the provision of health and education projects. According to the government, a majority of the communities accepted the road this time, although many boycotted the consultation. CIDOB and CONAMAQ broke with the MAS-IPSP. In the end, the government curved the resistance of its former allies by endorsing, for example, the creation of a parallel CIDOB (Farthing and Kohl, 2014). Nevertheless, the political cost

was high and unravelled the emerging cleavage between the indigenous and popular-peasant segments constitutive to the MAS-IPSP in the past.

## **Legality**

The legal framework established by the constitution of 2009 reflects a consensus between a majority tried to impose its project for the re-legitimation of the state, to a minority upholding an alternative project and a veto power in both parliament and the CA. After the collapse of the civic-regional bloc, however, the situation changed. The MAS-IPSP had an overwhelming majority in congress. Congress in turn was in charge of the legislative development of the constitution and of pre-selecting the new judiciary, the branch in charge of the control of legality. Due to the conjunction of these factors, the new legislative branch was in a position to bypass the limits of the constitution in areas in which it found political or judicial resistance, between 2006 and 2009.

The first of these areas was obviously the autonomic regime. The negotiations of October 2008 left many contentious issues to be decided in a future law on autonomies. A new Framework Law on Autonomies and Decentralisation (FLAD) was passed by congress in July 2010. One of the key sections of the Law established that the departmental governors, members of the departmental legislative assemblies, mayors and municipal councillors could be suspended from their functions if they were accused, by an attorney, of committing crimes or faults regarding transparency and accountability (Arts. 144, 145, FLAD, 2010). Since the General Attorney is elected also by two-thirds of congress, it was not surprising that after the approval of the FLAD, the governors of Tarija and Beni were accused of corruption charges, which led to their suspension in December of 2010 and 2011, respectively.

In a parallel way, in 2011 Bolivia elected the heads of the judiciary, including the members of the CT. This was an unprecedented effort to legitimise the historically discredited Bolivian justice. According to the MAS-IPSP, the aim was to create a participatory justice and to tackle the corruption allegedly facilitated by *pacted democracy* through the selection of magistrates. In 2009 magistrates were pre-selected by two-thirds of the legislative, before being voted by the electorate. The legislative assembly refused to take into consideration the professional merits of the candidates and allowed for social movements

to *postulate* candidates. More than half of the electorate issued null votes in protest (Orias, 2015; Pagina 7, 08-01-2015).

Immediately after the suspension of governor Suárez, MPs from Santa Cruz challenged the legality of the above-mentioned articles of the FLAD, using a legal procedure to be resolved by the CT. The CT decided that the FLAD was unconstitutional in above-mentioned section, because it violated the due process enshrined in Article 116 of the constitution (SC 2055/2012). The sentence raised eyebrows in the government and set up the stage for a conflict between the judiciary, the executive and legislative branches. When the legislative assembly approved a new law aimed at diverging non-contentious civil issues to the Ministry of Justice, the opposition challenged its legality once more. The CT, at the time of admitting the case, suspended the law, invading the legislative sphere. The conflict escalated and the legislative impeached three magistrates of the CT (Orias, 2014; La Razón, 1-06-2014). This was a struggle of legitimacies within government. The MAS-IPSP thought that by allowing sectors of the coalition it commands to postulate members of the judiciary, and later pre-selecting them using its majority in parliament, it would control the process before a final legitimation occurred through the popular vote. However, there were tensions between the corporatist legitimation of the first stage, the indirect parliamentary legitimation of the second stage, and the final electoral legitimation. The first and third stages empowered the CT to a point in which it was acquiring too much autonomy.

In any case, the quality of the judicial system never improved. Cases of corruption and the discovery of an extortion network made of attorneys, judges and lawyers in 2012 (El Pais, 29-11-2012), constitutes clear evidence of this situation. Currently, 83% of those who overpopulate the Bolivian jails are not even formally accused of a crime (Orias, 2015). This gave the government the chance to retake the discursive initiative. Evo Morales and Alvaro García Linera recognised first that the election of magistrates was a mistake and explained the crisis of the system (El Deber, 11-06-2016). Since there is no evidence of a direct relation between both, I think that the government concerns are related to the fact that an elected judiciary can create competitive legitimacies. In any case, the government has re-established its supremacy in its struggles against the CT.

This was evident when the senate consulted the CT, if it was constitutional for Evo Morales to run for a new presidential term in 2014. The agreement that led to the approval of the 2009 constitution was based on a commitment by Morales not to run for a third mandate. The constitution allowed just for two consecutive mandates. Moreover, the first transitory clause established: “the mandates undertaken previous to the validity of the present constitution will be considered to count new periods” (Bolivian Constitution, 2009). However, in a clear contradiction with the letter and spirit of the constitution, the CT established that Morales was allowed to run for a new period because the constitution founded an entirely new state and a new political and legal era (DC 003/2012). Legitimacy trumped legality once again. The elections that followed gave Morales an overwhelming majority and control of congress. Notwithstanding the above, only a couple of months after this victory, the COB and CONALCAM submitted to congress a project of constitutional reform. The reform would allow for yet another re-election of Morales in 2019. The CT gave a green light to the project and the referendum took place in February 2016. However, the majority of the population surprisingly rejected the motion.

The already evident effect of the fall in commodity prices in the economy and corruption allegations against important indigenous leaders in charge of the indigenous fund, have been used as explanations. More importantly, a scandal by which the former partner of Morales was accused of influence peddling to facilitate contracts between the government and a Chinese construction company seems to have been determinantal for the outcome. Probably, a conjunction of all of these factors explain the defeat of Morales. However, for the purpose of this research it is important to highlight that notwithstanding its causes, it is a decline in the legitimacy of the leader and the party what explains the momentary reversal of a dynamic by which the MAS-IPSP’s hegemony in parliament, interplayed with its massive electoral support to bring, once again, legitimacy and legitimation well above and beyond legality. Legitimacy can be a pillar of political stability in the presence of charismatic leaders and economic success. However, disruptive economic changes or other exogenous factors can always trigger conflicts within the government’s unstable coalition and spirals of de-legitimation and. If the pillar of legality is weak in its foundations, as it seems to remain the case in Bolivia, political instability and existential threats to democracy can always resume.



## Bibliography

- Acemoglu, Daron and James A. Robinson (2012), *Why Nations Fail? The Origins of Power, Prosperity and Poverty*, Profile Books, London.
- Albó, Xavier (2009), 'Muchas naciones en una' in ¿Nación o naciones boliviana(s)? Institucionalidad para nosotros mismos, Gonzalo Rojas (Ed.), CIDES-UMSA, La Paz-Bolivia.
- (2008a), 'The *Long Memory* of Ethnicity in Bolivia and Some Temporary Oscillations', in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds.), Pittsburg University Press.
- (2008b), Movimientos y poder indígena en Bolivia, Ecuador y Perú, CIPCA, La Paz-Bolivia.
- (1999), 'Diversidad Étnica, Cultural y Lingüística', in: Bolivia en el siglo XX. La formación de la Bolivia contemporánea, Harvard Club, La Paz-Bolivia.
- (1993), '...Y de *Kataristas* a *emeneristas*? La sorprendente y audaz alianza entre aymaras y neoliberales en Bolivia', Boletín de Antropología Americana, N 25, July.
- Albro, Robert (2005), 'The Indigenous in the Plural in Bolivian Oppositional Politics', Bulletin of Latin American Research, Vol. 24. Issue 4 pp.433-453.
- Alexander L. George and Andrew Benett (2005), Case Studies and Theory Development in the Social Sciences, MIT Press, Cambridge, Massachusetts and London, England.
- Anaya, Mario R. (1999), Política y Partidos en Bolivia, Editorial Juventud, Third Edition, La Paz-Bolivia.
- América Economía (Newspaper), 25th of April, 2015.
- Andolina, Roberto; Nina Laurie and Sarah Radcliffe (2009), Indigenous Development in the Andes: Culture, Power and Transnationalism, Duke University Press, Durham, U.S.A.
- Anria, Santiago (2013), 'Social Movements, Party Organisation and Populism: Insights from the Bolivian MAS', Latin American Politics and Society, 55:3.

- Arguedas, Alcides (1922), Historia General de Bolivia: 1809-1921. El proceso de la nacionalidad, Edited by Arnó Hermanos, La Paz-Bolivia.
- Arnade, Charles (1959), The Emergence of the Republic of Bolivia, University of Florida Press, Gainesville.
- Arze Aguirre, René (1999), 'Notas para una Historia del siglo XX en Bolivia', in: Bolivia en el siglo XX. La formación de la Bolivia contemporánea, Harvard Club, La Paz-Bolivia.
- Arze Vargas, Carlos (2008), 'The Perverse Effects of Globalisation in Bolivia', in: Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Editors), Pittsburg University Press.
- Ayo, Diego (2010), Democratizando la democracia. Una mirada a la Participación Popular en los albores de la Bolivia de las Autonomías, International IDEA, La Paz, Bolivia.
- Barragán, Rossana (2008), 'Oppressed or Privileged Regions? Some Historical Reflections on the Use of State Resources', in: Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Editors), Pittsburg University Press.
- (2006), Asambleas Constituyentes. Ciudadanía y elecciones, convenciones y debates (1825-1971), Muela del Diablo Editores, La Paz-Bolivia.
- BBC World (Latin America), 26th of August, 2016.
- Bingham, Tom (2010), The Rule of Law, Penguin Books, London.
- Booth, John A. and Mitchell A. Seligson (2009), The Legitimacy Puzzle in Latin America, Cambridge University Press.
- Bonifaz Moreno, Gustavo (2011), 'Causas y consecuencias geopolíticas de la brecha entre legalidad y legitimidad en Bolivia. El caso de la violencia en Pando en septiembre de 2008', FES-Colombia, Programa de Cooperación en Seguridad Regional, Policy Paper, No 33, Febrero de 2011.
- with Christian Lunstedt (2011), Bolivia en el desorden global? Impactos de la globalización en la transición estatal, FES-ILDIS, La Paz-Bolivia.

- Bonifaz Ponce, Miguel (1961), Derecho Indiano: Derecho Castellano, Derecho Precolombino y Derecho Colonial, Universidad Mayor de San Francisco Xavier, Sucre-Bolivia.
- Böhrt Irahola, Carlos (2010), Herramientas para la construcción del Estado Autnómico en Bolivia, International IDEA, La Paz-Bolivia.
- Bulmer-Thomas, Victor (2014), The Economic History of Latin America since Independence, Cambridge University Press, Third Edition, Cambridge, UK.
- Burbano de Lara, Felipe (2009), ‘Las luchas autonómicas de Guayaquil y Santa Cruz. Una perspectiva comparada’, in Enrique Arceo y Eduardo Basualdo (Comps.), Las Condicionantes de la Crisis en América Latina, CLACSO, Buenos Aires, Argentina.
- Burnstein, Steven and William D. Coleman. Editors (2009), Unsettled Legitimacy: Political Community, Power and Authority in a Global era, UBC Press, British Columbia-Canada.
- Calderón Fernando (Coord. 2011), Los Conflictos Sociales en América Latina, UNDP-Unir Foundation, La Paz-Bolivia.
- (2000), with Alicia Szmukler, La Política en las Calles. Política, Urbanización y Desarrollo, PLURAL Editores, La Paz-Bolivia.
- Calla Ortega, R. and H. Calla Ortega (1996), Partidos políticos y municipios. Las elecciones municipales de 1995, FES-ILDIS, La Paz-Bolivia.
- Cambio Magazine, Interview with Evo Morales, 17 of January of 2010.
- Centro de Promoción de la Mujer Gregoria Apaza (2011), Carmen Beatriz Ruiz (Coord.), Atlas de El Alto: Estudio con información estadística, descriptiva y analítica, sobre las condiciones, oportunidades e institucionalidad de la población y la ciudad, El Alto-Bolivia.
- Cerrutti, Marcela and Rodolfo Bertincello (2003), ‘Urbanisation and Internal Migration Patterns in Latin America’, paper presented at the Conference on African Migration in Comparative Perspective, Johannesburg, South Africa, 4-7 June, 2003.

- Choque Canqui, Roberto (2010), El Manifiesto de Tiwanaku (1973) y el inicio de la descolonización, available at:  
<http://www.revistasbolivianas.org.bo/pdf/fdc/v4n11/a04.pdf>
- Cohen, Jean L. (2012), Globalisation and Sovereignty. Rethinking Legality, Legitimacy and Constitutionalism, Cambridge University Press.
- Cleary, Matthey (2006), 'Explaining the Left's Resurgence', Journal of Democracy, Volume 17, Number 4, October 2006, pp. 35-49.
- Condarco Morales, Ramiro (1982), Zarate el Temible Willka. Historia de la Rebelión Indígena de la República de Bolivia, Editorial Renovación, Second Edition, La Paz-Bolivia.
- Confederación sindical de trabajadores campesinos de Bolivia (CSUTCB, 1983), 'Tesis política', in: Rivera Cusicanqui Silvia (2010), Oprimidos pero no vencidos. Luchas del campesinado Aymara y Qhechwa 1900-1980, La mirada salvaje, cuarta edición
- Contreras, Manuel E. (2003), 'A Comparative Perspective on Education Reforms in Bolivia: 1950-2000', in Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Center for Latin American Studies, Cambridge, MA and London, UK.
- Cordeiro, Jose Luis (2008), 'Constitutions around the world. A view from Latin America', IDE, Discussion Paper, 164.
- Corporación Latinobarometro (2013), Regional Report 2013, Santiago-Chile
- Crabtree, John and Ann Chaplin (2013), Bolivia: Processes of Change, Zed Books, London and New York.
- Crabtree, John and Laurence Whitehead Eds. (2008), Unresolved Tensions. Bolivia Past and Present, Pittsburg University Press.
- Dalton, Russel J. (2008), 'The Quantity and Quality of Party Systems. Party System Polarisation, Its Measurement and Its Consequences', Comparative Political Studies, Vol. 41, N.7 pp. 899-920.

- Dawson, Alexander (2011), Latin America since Independence. A History with Primary Sources, Routledge, New York and London.
- De la Torre, Carlos (2013), 'In the Name of the People: Democratisation, Popular Organisations, and Populism in Venezuela, Bolivia, and Ecuador', *European Review of Latin American and Caribbean Studies*, No. 95 (Oct.), pp. 27-48
- Domingo, Pilar (2003), 'Revolution and the Unfinished Business of Nation and State-Building', in Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Center for Latin American Studies, Cambridge, MA and London, UK.
- Drinot, Paulo and Alan Knight (Editors), 2014, The Great Depression in Latin America, Duke University Press.
- Dunkerley, James (2007), Bolivia: Revolution and the Power of History in the Present, Institute of Latin American Studies, London.
- (2003), 'The Origins of the Bolivian Revolution in the Twentieth Century: Some Reflections', in: Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Centre for Latin American Studies, Cambridge, MA and London, UK.
- (1987), *La Rebelión en las Venas*, PLURAL Editores, Second Edition (reprinted in 2003), La Paz-Bolivia.
- Durand, John, Cesar Pelaez, D.S. Thomas, R.O. Carleton, L. Baumgartner and E.S. Lee (1965), 'Patterns of Urbanisation in Latin America', The Milkbank Memorial Fund Quarterly, Vol 43, No 4.
- Easton, David (1975), 'A Re-assessment of the Concept of Political Support', British Journal of Political Science, pp. 435-457.
- El Deber, (Newspaper), 11<sup>th</sup> of June, 2016.
- El País, Spain (Newspaper), 29<sup>th</sup> of November, 2012.

- Eton, Kent (2008), 'Review: Federealism, in Europe and Latin America: Conceptualisation, Causes and Consequences' by Kent Eton, World Politics, Vol. 60, No. 4 (Jul. 2008), pp. 665-698.
- Faletti, Tulia (2010), Decentralisation and Subnational Politics in Latin America, Cambridge University Press.
- Faguet, Jean-Paul (2012a), Decentralisation and Popular Democracy. Governance from Below in Bolivia, The University of Michigan Press, Michigan U.S.A.
- (2012b), 'Gobernabilidad desde abajo en Bolivia. Una teoría del gobierno local y dos pruebas empíricas', in Descentralización y democratización en Bolivia. La Historia del Estado débil, la sociedad rebelde y el anhelo de democracia, Moira Zuazo, Jean-Paul Faguet y Gustavo Bonifaz Moreno (Eds.), FES-ILDIS, La Paz-Bolivia.
- Farthing, Linda and Benjamin H. Kohl (2014), Evo's Bolivia. Continuity and Change, Univerity of Texas Press.
- Fernández S. Gustavo (1999), 'Bolivia y sus circunstancias', in Bolivia en el siglo XX. La formación de la Bolivia contemporánea, Harvard Club, La Paz-Bolivia.
- FES-ILDIS (2010), FORO ECONOMICO, Digital version, La Paz-Bolivia.
- (2005), Hacia la Asamblea Constituyente, CD interactivo, Digital version, La Paz-Bolivia.
- Fukuyama, Francis (2011), The Origins of Political Order. From pre-human times to the French Revolution, Profile Books Ltd. London.
- García Linera, Álvaro (2003), 'Autonomías regionales indígenas y Estado multicultural', in FES-ILDIS, La descentralización que se viene. Propuestas para la (re)constitución del nivel estatal intermedio, La Paz-Bolivia.
- Gargarella, Roberto (2013), 'Latin American Constitutionalism, 1810-2010: The Engine Room of the Constitution', Oxford University Press, Oxford, UK.
- Gibson, Robert and Tulia Falleti (2004), 'Unity by the Stick. Regional Conflict and the Origins of Argentine Federalism, in Eduard Gibson (Editor)', in 'Federalism and

Democracy in Latin America” Johns Hopkins University Press, Baltimore and London.

Goldstone, Jack A. (2003), ‘Comparative Historical Analysis and Knowledge Accumulation in the Study of Revolutions’, in: Mahoney, James and Dietrich Rueschemeyer (Eds.), Comparative Historical Analysis in the Social Sciences, Cambridge University Press.

Goodale, Mark (2009), Dilemmas of Modernity. Bolivian Encounters with Law and Liberalism, Stanford University Press, Stanford, California.

Gotkowitz, Laura (2003), ‘Revisiting the Rural Roots of the Revolution’ , in Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Center for Latin American Studies, Cambridge, MA and London, UK.

Gray Molina, George (2013), Keeping the Coalition Together, Presentation (Unpublished), LASA Conference, Washington DC.

----- (2008), ‘State-Society Relations in Bolivia: The Strength of Weakness’, in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds), Pittsburgh University Press.

----- (2007), ‘Ethnic Politics in Bolivia: Harmony of Inequalities 1900-2000’, CRISE Working Paper N15, Oxford, United Kingdom.

Grugel, Jean (2002), Democratisation. A Critical Introduction, Palgrave Mac Millan.

Gurr, Ted Robert (1970), Why Men Rebel, Princeton University Press, New Jersey.

Gutierrez, Waldo (2012), Rentismo y uso productivo del excedente, Working Paper (Unpublished), Mesa de debate económico, FES-ILDIS, La Paz-Bolivia.

Hart, H.L.A. (1994), The Concept of Law, Clarendon Law Series, Second Edition, Oxford.

Hagopian, Frances and Scott Mainwaring Eds. (2005), The Third Wave of Democratisation in Latin America, Cambridge University Press, New York.

- Henkel, Ray (1982), 'The move to the Oriente: Colonisation and Environmental Impact', in Modern Day Bolivia. The Legacy of the Revolution and Prospects for the Future, Edited by Jerry L. Landman, Arizona State University, Temple, Arizona.
- Herranz Alfonso and José A. Peres (2011), 'La Economía Boliviana en el muy Largo Plazo: Una Aproximación al Crecimiento Económico de Bolivia desde la Independencia', Working Paper, Universidad de Barcelona.
- Hillman, John (1984), 'The Emergence of the Tin Industry in Bolivia', Journal of Latin American Studies, N. 16, pp. 403-437.
- Hoffman, Renata (1989), Apuntes sobre la democracia desde una óptica cotidiana, ILDIS, La Paz-Bolivia.
- Holsti, Kalevi (1996), 'The State, War and the State of War', Cambridge University Press.
- Hurrelman, Achim, Steffen Schneider and James Steffec Eds. (2010), Legitimacy in an age of Global Politics, Pelgrave Mc. Millan, New York.
- Huntington, Samuel (1968), Political Order in Changing Societies, Yale University Press, 1968, reprinted in 2006.
- Inglehart Ronald and Christian Welzel (2005), Modernisation, Cultural Change and Democracy, Cambridge University Press, New York.
- Instituto Nacional de Estadística, Bolivia (2012), Censo Nacional de Población y Vivienda. Características de Población y Vivienda, available at: <http://www.ine.gob.bo:8081/censo2012/PDF/resultadosCPV2012.pdf>
- International Crisis Group (2008), 'Bolivia: Rescuing the new Constitution and Democratic Stability', Latin America Briefing, N 18, June.
- International IDEA, Constitution.net Database, Country profiles of Venezuela and Ecuador, accessed at: <http://www.constitutionnet.org/>
- International Labour Organisation (ILO, 2012), Statistical update on employment in the informal economy, ILO - Department of Statistics.
- Irurozqui, Marta (1996), 'Ebrios, vagos y analfabetos. El sufragio restringido en Bolivia, 1826-1952', Revista de Indias, vol. LVI, num. 208.



- (1994), La armonía de las desigualdades. Elites y conflictos de poder en Bolivia 1880-1920, CSIC-CBC, Cusco, Perú.
- Jordán Pozo, Rolando (1999), 'Siglo XX: La Era del Estaño', in Bolivia en el Siglo XX. La Formación de la Bolivia Contemporánea, Harvard Club de Bolivia, La Paz, Bolivia.
- Kaldor, Mary (2006), New and Old Wars: Organised Violence in a Global Era, Polity Press, Cambridge, UK.
- Kelsen, Hans (1960), Pure Theory of Law, University of California Press, Berkley.
- Klein, Herbert S. (2010), Historia de Bolivia. De los Orígenes al 2010, Librería Editorial GUM, 4th Edition, La Paz-Bolivia.
- (2009), Orígenes de la Revolución Nacional Boliviana. La Crisis de la Generación del Chaco, Librería Editorial GUM, La Paz-Bolivia
- (2003), 'Social Change in Bolivia since 1952', in Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Centre for Latin American Studies, Cambridge, MA and London, UK.
- Knight, Alan (2001), 'Democratic and Revolutionary Traditions in Latin America', Bulletin of Latin American Research, Vol. 20, No. 2 (Apr. 2001), pp. 147-186.
- Krasner, Steven D. (1984), 'Approaches to the State. Alternative Conceptions and Historical Dynamics', Comparative Politics, Vol. 16. No. 2.
- La Palombara, Joseph (2007), 'Reflections on Political Parties and Political Development, Four Decades Later', Party Politics, Vol. 13, No 2, pp. 141-154.
- La Razón (Newspaper), 9<sup>18th</sup> of August, 2016.
- La Razón (Newspaper), 2<sup>nd</sup> of March, 2015.
- La Razón (Newspaper), 22<sup>nd</sup> of July of 2008.
- La Razón (Newspaper), 9<sup>th</sup> of September, 2008.
- Los Tiempos (Newspaper), 8<sup>th</sup> of January, 2007.

Los Tiempos (Newspaper) 8<sup>th</sup> of November 2007.

Landivar, Jorge (1987), 'El movimiento regional cruceño, descentralización administrativa y participación social', in: Democracia a la deriva. Dilemas de la participación y concertación social en Bolivia, CLACSO/CERES, La Paz-Bolivia.

Langer, Erik (1999), 'Notas para una Historia del Siglo XX en Bolivia', in Bolivia en el Siglo XX. La Formación de la Bolivia Contemporánea, Harvard Club de Bolivia, La Paz, Bolivia.

Laserna, Roberto and Miguel Villarroel (2008), 38 años de conflictos sociales en Bolivia. Enero de 1970-Enero de 2008, CERES, Cochabamba-Bolivia.

Laserna, Roberto (1992), "Productores de Democracia. Actores Sociales y Procesos Políticos en Bolivia. 1971-1991", CERES, Cochabamba, Bolivia.

Latinobarometer Corporation Database, Trust in Political Institutions between 1995 and 2005, accessed at: <http://www.latinobarometro.org/latContents.jsp>

Lazarte, Jorge (2006), Entre los espectros del pasado y las incertidumbres del futuro. Política y democracia en Bolivia a principios del Siglo XXI, Plural Editores, La Paz, Bolivia.

Lehoucq, Fabrice and Anibal Perez Linan (2014), Regimes, Competition, and Military Coups in Latin America, Comparative Political Studies 47(8), pp.1105-1129

Leano, Roman (2005), 'Estudio de la Elección de Prefectos de 2005' Opiniones y Estudios, N 89, pp. 43-84.

Levitsky, Steven and Gretchen Helmke Eds. (2006), Informal Institutions and Democracy: Lessons from Latin America, Johns Hopkins University Press, Baltimore.

----- (2004), 'Informal Institutions and Comparative Politics: A Research Agenda', Perspectives on Politics, Vol. 2, Issue 04, Dec. 2004, pp. 725-740.

Levitsky (2005), 'Argentina: Democratic Survival amidst Economic Failure', in Hagopian, Frances and Scott Mainwaring (Eds.), The Third Wave of Democratisation in Latin America, Cambridge University Press, New York.

- Lijphart, Arendt (2000), 'The Future of Democracy: Reasons for Pessimism, but Also Some Optimism', Scandinavian Political Studies, Bind 23 (New Series) (2000)3.
- Lipset, Seymour Martin (1985), Consensus and Conflict: Essays in Political Sociology, Transaction Publishers, New Jersey.
- (1959), 'Some Social Requisites of Democracy: Economic Development and Political Legitimacy', The American Political Science Review, Vol. 53, No.1.
- Linz, Juan (1990a), 'The Perils of Presidentialism', Journal of Democracy, 1, 51-59.
- (1990 b), 'The Virtues of Parliamentarism', Journal of Democracy, 1, 84-91.
- With Alfred Stepan (1997), Problems of Democratic Transition and Consolidation, Johns Hopkins University Press, Baltimore and London.
- Lohman, Mariah and Jose Luis Gareca (2007), ¿Cómo entender los conflictos del 11 de Enero? available at: Somos Sur,  
[http://www.somosur.net/documentos/11\\_de\\_enero.pdf](http://www.somosur.net/documentos/11_de_enero.pdf).
- Lucero, Jose Antonio (2008), Struggles of Voice: The Politics of Indigenous Representation in the Andes, University of Pittsburg Press, Pittsburg U.S.A.
- Lustik, Ian S. (1996), 'History, Historiography and Political Science: Multiple Historical Records and the Problem of Selection Bias', American Political Science Review, Vol. 90, No. 3.
- Mahoney, James (2010), Colonialism and Postcolonial Development. Spanish America in Comparative Perspective, Cambridge University Press.
- (2003), 'Strategies for Causal Assesment in Comparative Historical Analysis', in Mahoney and Rueschmeyer (Eds.), "Comparative Historical Analysis in the Social Sciences", Cambridge Studies in Comparative Politics, Cambridge University Press.
- Mainwaring, Scott, Ana Maria Bejarano and Eduardo Pizarro Leongomez, Eds. (2006), The Crisis of Democratic Representation in the Andes, Stanford University Press, California, U.S.A.

- Malloy, James and Sylvia Borzutski (1982), 'The Praetorisation of the Revolution: 1964-1967', in Modern Day Bolivia. The Legacy of the Revolution and Prospects for the Future, Edited by Jerry L. Landman, Arizona State University, Temple, Arizona.
- Malloy, James (1977), 'Authoritarianism and Corporatism in Latin America: The Modal Pattern'. In James Malloy (Ed.) Authoritarianism and Corporatism in Latin America, University of Pittsburgh Press.
- (1970), Bolivia: The Uncompleted Revolution, University of Pittsburg Press, Pittsburg.
- Mansilla, H.C.F. (2006), El desencanto con el desarrollo actual, Editorial El País, Santa Cruz-Bolivia.
- Mayorga, Rena A. (1999), 'La Democracia o el Desafío de la Modernización Política, in Bolivia en el Siglo XX. La Formación de la Bolivia Contemporánea', Harvard Club de Bolivia, La Paz, Bolivia.
- (1996), 'Procesos electorales, reforma política y sistema político en Bolivia (1992-1996)', Elecciones y Democracia, UNAM, Bibljuridicas.
- (1987), Democracia a la deriva. Dilemas de la participación y concertación social en Bolivia (Comp.), CLACSO/CERES, La Paz-Bolivia.
- Mc. Lean, Iain and Alistair Mc. Millan (2003), Oxford Concise Dictionary of Politics, Oxford University Press.
- Medinacelli Monroy, Mauricio (2013), 'El sector hidrocarburos en Bolivia'. Working Paper, Mesa de Debate Economico, FES-ILDIS, 2013
- Mendieta, Pilar (2010), Entre la Alianza y la Confrontación; IFEA, Plural Editores ASDI and IEB, La Paz-Bolivia.
- Mesa, Carlos (2011), Presidencia Sitiada. Memorias de mi Gobierno, Plural Editores, Second Edition, La Paz, Bolivia.
- Migdal, Joel S. (2001), State in Society. Studying how States and Societies Transform and Constitute one Another, Cambridge University Press, London UK.

- Mirow, M. C. (2015), Latin American Cinstitutions. The Constitution of Cádiz and its Legacy in Spanish America, Cambridge University Press, Cambridge, UK.
- Ministerio de Economía y Finanzas, Plurinational State of Bolivia (2016), INCLUSIVE SUSTAINABLE DEVELOPMENT: LESSONS FROM BOLIVIA, presentation at the London School of Economics, June 2016
- Mitre, Antonio (1981), Los patriarcas de la plata: estructura socioeconómica de la minería boliviana en el siglo XIX, Instituto de Estudios Peruanos, Lima-Perú
- Miranda, Boris (2013), La última tarde del adiós, Ediciones ventarrón, La Paz-Bolivia.
- (2012), La Mañana después de la guerra, Editorial El Cuervo, La Paz-Bolivia.
- Molina, Ramiro (2005), 'Los pueblos indígenas de Bolivia: Diagnostico sociodemográfico a partir del censo 2001', Documentos de Proyectos, CEPAL.
- Morales, Juan Antonio and Napoleón Pacheco (1999), 'El Retorno de los Liberales', in Bolivia en el Siglo XX. La Formación de la Bolivia Contemporánea, Harvard Club de Bolivia, La Paz, Bolivia.
- (2008) 'Bolivia in a Global Setting: Economic Ties', in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds.), Pittsburg University Press.
- (2012), La política económica boliviana 1982-2010. Plural Editores and Universidad Católica Boliviana, La Paz-Bolivia.
- Naim, Moises (1995), 'Latin America: The Second Stage of Reforms' in: Economic Reforms and Democracy, Larry Diamind and F. Platner (Eds.), Baltimore and London.
- Norris, Pippa (1999) 'Institutional Explanations for Political Support', in Critical Citizens: Global Support for Democratic Government, Pippa Norris (Ed.), Oxford University Press, 1999.
- North, Douglass, Joseph Wallis and Barry Waingast (2006), Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History, Cambridge University Press, New York.

- North, Douglass C. (1990), Institutions, Institutional Change and Economic Performance, Cambridge University Press.
- O'Donnell, Guillermo (2010), Democracy, Agency and the State. Theory with Comparative Intent, Oxford Studies in Democratisation, Oxford University Press.
- (2004), 'Why the Rule of Law Matters', Journal of Democracy, vol. 15, No 4 pp. 32-46.
- (1999), with Juan E. Mendez and Paulo Sergio Pinheiro (Eds.), The (Un)Rule of Law and the Underprivileged in Latin America, University of Notre Dame Press.
- (1994), 'Delegative Democracy', Journal of Democracy, 5:1, pp. 55-69.
- (1977), 'Corporatism and the Question of the State', In James Malloy (Ed.) Authoritarianism and Corporatism in Latin America, University of Pittsburgh Press, Pittsburg.
- Organisation for Economic Co-operation and Development (OECD, 2009), Is Informal Normal? Towards More and Better Jobs in Developing Countries, Paris.
- Orias, Ramiro (2015), Reforma Judicial en Bolivia. Elementos para el diálogo y desafíos, FES-ILDIS, La Paz-Bolivia.
- Pachano, Simon (2006), 'Ecuador, the Provincialisation of Representation' , in Scott Mainwaring, Ana Maria Bejarano and Eduardo Pizarro Leongomez (Eds.), The Crisis of Democratic Representation in the Andes, Stanford University Press, Stanford, California.
- Pagina Siete (Newspaper), 8<sup>th</sup> of January, 2015.
- Panizza, Francisco (2000), 'Old Politics and New Economics in Latin America', Journal of Latin American Studies, 32:3, pp. 737-764.
- Paz, Maria Teresa (1997), 'Estructura interna del MNR', Gobernabilidad y partidos politicos en Bolivia, CIDES/PNUD.
- Peña, Claudia (2007), 'La Conformación Histórica del Poder y las Elites en Santa Cruz', in Poder y Elites en Santa Cruz. Tres visiones sobre un mismo tema, Editorial El País, Santa Cruz de la Sierra-Bolivia.

- Peñaranda, Raúl Ed. Carlos Böhrh and Carlos Romero (2009), Del conflicto al diálogo. Memorias de un acuerdo constitucional, FES-ILDIS and FBDM, La Paz-Bolivia.
- Philip, George and Francisco Panizza (2011), The Triumph of Politics. The Return of the Left in Venezuela, Bolivia and Ecuador, Polity Press, Cambridge, UK.
- Pierson, Paul (2000), 'Increasing Returns, Path Dependence and the Study of Politics', American Political Science Review, Vol. 94, No. 2.
- Platt, Tristan (1982), Estado boliviano y Ayllu andino, IEP, Lima-Perú.
- Power, Timothy and Jennifer M. Cyr (2010), 'Mapping Political Legitimacy in Latin America', International Social Science Journal, Volume 60, Issue 196, pp. 253–272.
- Programa de Investigación Estratégica en Bolivia (PIEB), Periódico digital de investigación sobre Bolivia, available at: <http://www.pieb.com.bo/index.php>.
- Putnam, Robert (1993), Making Democracy Work. Civic Traditions in Modern Italy, Princeton University Press, New Jersey.
- Reynaga, Fausto (1971), Tesis India, Ediciones PIB, Editorial Fenix, La Paz-Bolivia.
- Roberts J.M. and Odd Arne Westad (2013), The Penguin History of the World, Penguin Books, Sixth Edition, London.
- Roberts, Kenneth (2008), 'The Mobilisation of Opposition to Economic Liberalisation', Annual Review of Political Science, 11:327-49.
- (2002), 'Social Inequalities without Class Cleavages in Latin America's Neoliberal Era', Studies in Comparative International Development, winter 2002, Vol. 36, No. 4, pp. 3-33.
- Robertson, Ronald; Mike Featherstone and Scott Lash Eds. (1995), Global Modernities, Sage Publications, London.
- Roca, José Luis (2008) 'Regionalism Revisited', in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds.), Pittsburg University Press.

- (2007a), Ni con Lima ni con Buenos Aires. La Emergencia de un Estado Nacional en Charcas, PLURAL Editores, La Paz-Bolivia.
- (2007b), Fisonomía del Regionalismo Boliviano, Plural Editores (Third Edition), La Paz-Bolivia.
- Rodriguez Ostria, Gustavo (2012), 'Las Antinomias del Nacionalismo Revolucionario', in Descentralización y democratización en Bolivia. La historia del Estado débil, la sociedad rebelde y el anhelo de democracia, Moira Zuazo, Jean-Paul Faguet y Gustavo Bonifaz Moreno (Eds.), FES-ILDIS, La Paz-Bolivia.
- (2011), 'Historical Framework of the Constituent Assembly', in: Historical and documented encyclopaedia of the Bolivian Constituent Process, Vice-Presidency of the Plurinational State of Bolivia, La Paz-Bolivia.
- Romero Ballivian, Salvador (2012), 'El sistema de partidos políticos en Bolivia. 1952-2012', in Descentralización y democratización en Bolivia. La historia del Estado débil, la sociedad rebelde y el anhelo de democracia, Moira Zuazo, Jean-Paul Faguet y Gustavo Bonifaz Moreno (Eds.), FES-ILDIS, La Paz-Bolivia.
- (2005), En la bifurcación del camino. Análisis de las elecciones municipales 2004, Corte Nacional Electoral, Republica de Bolivia.
- Rivera Cusicanqui, Silvia (1990), 'Liberal democracy and *ayllu* democracy in Bolivia: The case of Northern Potosí', Journal of Development Studies, 26:4, 97-121
- (1987), 'Autonomía y dependencia en el movimiento campesino contemporáneo: La CSUTCB y el proceso democrático', in: Democracia a la deriva. Dilemas de la participación y concertación social en Bolivia, CLACSO/CERES, La Paz-Bolivia.
- (1983), 'Luchas Campesinas Contemporáneas en Bolivia: el Movimiento Katarista, 1970-1980', in René Zavaleta Mercado, (Comp.) Bolivia Hoy, Siglo Veintiuno editores, México.
- Rueschemeyer, Dietrich, Evelyne Huber Stephens and John D. Stephens (1992), Capitalist Development and Democracy, Chicago University Press.



- Scokpol, Theda and Margaret Somers (1980), 'The Uses of Comparative History in Macrosocial Inquiry', Comparative Studies in Society and History, Vol. 22, No 2, Apr. 1980, pp. 174-197.
- Seligson, Mitchell and John A. Booth (2009), The Legitimacy Puzzle in Latin America. Political Support and Democracy in Eight Nations, Cambridge University Press, New York.
- Seligson, Mitchell A. (Coord., 2012), Cultura Política de la Democracia en Bolivia, Latin American Public Opinion Polls (LAPOP) and Ciudadanía, Comunidad de Estudios Sociales y de Acción Pública, Cochabamba, Bolivia, 2012.
- Shapiro, Scott J. (2011), Legality, The Belknap Press of Harvard University Press, Cambridge MA. and London.
- Schwarz Blum, Vivian and Eduardo Córdoba Eguivar (2008), 'Democracia y legitimidad institucional en Bolivia', in Cultura política en tiempos de cambio. Institucionalidad, Conflicto y Región en Bolivia, Edited by Ciudadanía, Comunidad de Estudios Sociales y Acción Pública, Cochabamba-Bolivia.
- Stefanoni, Pablo, Franklin Ramirez y Maristella Svampa (2008), Las vías de la emancipación. Conversaciones con Álvaro García Linera, Ocean Sur, Querétaro, Mexico.
- Tapia, Luis (2010), 'El Estado en condiciones de abigarramiento', in El Estado. Campo de lucha, Muela del Diablo Editores and CLACSO, La Paz-Bolivia
- (2002), La condición multisocietal. Multiculturalidad, pluralismo y modernidad, Muela del Diablo editores, La Paz-Bolivia.
- Tanaka, Martin (2006), 'From Crisis to Collapse of the Party Systems and Dilemmas of Democratic Representation: Peru and Venezuela', in Scott Mainwaring, Ana Maria Bejarano and Eduardo Pizarro Leongomez (Eds.), The Crisis of Democratic Representation in the Andes, Stanford University Press, Stanford, California.
- (2005), 'Perú 1980-2000: Chronicle of a Death Foretold? Determinism, Political Decisions and Open Outcomes', in Hagopian, Frances and Scott Mainwaring

(Eds.), The Third Wave of Democratisation in Latin America, Cambridge University Press, New York.

Thelen, Kathleen (2003), 'How Institutions Evolve 'Insights from Comparative Historical Analysis', in: Comparative Historical Analysis in the Social Sciences, James Mahoney and Dietrich Ruschmeyer (Eds.), Cambridge University Press.

----- (1999), 'Historical Institutionalism in Comparative Politics', Annual Review of Political Science, 2, pp. 369-404.

Tockman, Jason and John Cameron (2014), 'Indigenous Autonomy and the Contradictions of Plurinationalism in Bolivia', Latin American Politics and Society, Vol. 56, Issue 3. PP. 46-69.

Toranzo, Carlos (2009), 'Repensando el mestizaje en Bolivia', in ¿Nación o naciones boliviana(s)? Institucionalidad para nosotros mismos, Gonzalo Rojas, CIDES-UMSA, La Paz-Bolivia.

----- (2008), 'Let the Mestizos Stand Up to Be Counted', in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds), Pittsburg University Press.

----- (1999), 'Introducción' in Bolivia en el Siglo XX. La Formación de la Bolivia Contemporánea, Harvard Club de Bolivia, La Paz, Bolivia.

----- (1991), 'Burguesía chola y senorialismo conflictuado', in La política del silencio, Fernando Mayorga (Ed.), ILDIS-FACES/UMSS, La Paz-Bolivia.

Tribunal Supremo Electoral/Programa de las Naciones Unidas para el Desarrollo (TSE/PNUD 2013), Atlas Electoral de Bolivia. Geografía electoral y datos interactivos 1979-2010, Electronic Version.

Unir Foudation, 'Análisis de la conflictividad del TIPNIS y potenciales de paz', Serie: Cuadernos de Investigación sobre la Conflictividad, Año 1, numero 1

United Nations Development Program, George Gray Molina (Coord), 2016, Human Development Report for Latin America and the Caribbean 2016: Multidimensional progress: well-being beyond income, New York.

- (2016), Víctor Hugo Bacarreza and Ernesto Perez Estrada (Coords.), Human Development Report for Bolivia, El Nuevo rostro de Bolivia. Transformacion Social y Metropolizacion, La Paz-Bolivia.
- (2013), Khalid Malid (Director), The Rise of the South. Human Progress in a Diverse World, New York.
- (2010), Veronica Paz Arauco (Coord.), Human Development Report for Bolivia, Los Cambios detrás del Cambio, La Paz-Bolivia.
- (2007), Gray Molina, George (Coord.), Human Development Report for Bolivia, El Estado del Estado en Bolivia, La Paz-Bolivia.
- (2005), Gray Molina, George (Coord.), Human Development Report for Bolivia, La Economía más allá del Gas, La Paz-Bolivia.
- (2003), Fernando Calderón G. (Coord), Human Development Report for Bolivia, Transformaciones Regionales en Bolivia. En un momento de crisis, inflexión y cambio, La paz-Bolivia.
- Van Cott, Dona Lee (2010), 'Indigenous Peoples' Politics in Latin America', Annual Review of Political Science, Vol. 13, pp. 385-405.
- (2007), From Movements to Parties in Latin America. The Evolution of Ethnic Politics, Cambridge University Press, New York.
- Vergara, Alberto (2015), La danza hostil: Poderes subnacionales y Estado central en Bolivia y Perú (1952-2012), Instituto de Estudios Peruanos. Lima, Perú.
- Vice-Presidency of the Plurinational State of Bolivia (2011), Historical and Documented Encyclopaedia of the Bolivian Constituent Process, La Paz-Bolivia.
- Von Hayek, Friedrich A. (2013), Law, Legislation and Liberty, Routledge Classics, Oxford.
- Weber, Max (1968), Economy and Society, Edited by Guenther Roth and Clauss Wittich, New York Bedminister Press, Vol. 1.
- Whitehead, Laurence (2006), Latin America: A New Interpretation, Palgrave Mc. Millan, London.

----- (2003), 'The Bolivian National Revolution: A Comparison', in Proclaiming Revolution. Bolivia in Comparative Perspective, Merilee S. Grindle and Pilar Domingo (Eds.), Institute for Latin American Studies and David Rockefeller Center for Latin American Studies, Cambridge, MA and London, UK.

Williamson, John (1993), 'Democracy and *The Washington Consensus*', World Development, Vol. 21, N8, pp. 1329-1336.

World Bank, World Development Indicators, <http://data.worldbank.org/data-catalog/world-development-indicators>.

Yashar, Debora (2006), 'Indigenous Politics in the Andes: Changing Patterns of Recognition, Reform and Representation', in Scott Mainwaring, Ana Maria Bejarano and Eduardo Pizarro Leongomez (Eds.), The Crisis of Democratic Representation in the Andes, Stanford University Press, Stanford, California.

Zavaleta Mercado, René (2008), Lo Nacional Popular en Bolivia, Plural Editores (Second Edition), La Paz-Bolivia.

----- (1998), 50 Años de Historia, Editorial los Amigos del Libro, La Paz-Bolivia.

Zavaleta Reyes, Diego (2008), 'Oversimplifying Identities: The Debate over What is *Indígena* and what is *Mestizo*', in Unresolved Tensions. Bolivia Past and Present, John Crabtree and Laurence Whitehead (Eds.), Pittsburg University Press.

Zuazo, Moira (2012), 'Bolivia: Cuando el Estado llega al campo. Municipalización, democratización y nueva Constitución', in Descentralización y democratización en Bolivia. La historia del Estado débil, la sociedad rebelde y el anhelo de democracia, Moira Zuazo, Jean-Paul Faguet y Gustavo Bonifaz Moreno (Eds.), FES-ILDIS, La Paz-Bolivia.

### **Legislation and Jurisprudence**

#### **Bolivia (Plurinational State of), in Spanish.**

*Constitución política del Estado: 1880: 1938:1967, reformada en 1994, reformada en 2004; 2009.*

*Ley 1246 (Ley Electoral) de 5 de julio de 1991, modificada por el Código Electoral, Ley 1984 de 25 de junio de 1999 y sus respectivas reformas.*

*Ley 1473 de Necesidad de Reforma Constitucional de 1º de abril de 1993.*

*Ley 1585 de Reforma Constitucional de 12 de agosto de 1994.*

*Ley 1551 de Participación Popular de 20 de abril de 1994.*

*Ley 1654 de Descentralización Administrativa de 28 de julio de 1995.*

*Ley 1836 del Tribunal Constitucional de 1º de abril de 1998.*

*Ley 1983 de Partidos Políticos de 25 de junio de 1999.*

*Ley 2410 de Necesidad de Reforma Constitucional de 8 de agosto de 2002.*

*Ley 2631 de Reforma de la Constitución Política del Estado de 20 de Febrero de 2004.*

*Ley 2769 del Referéndum, de 6 de julio de 2004.*

*Ley 2771 de Agrupaciones Ciudadanas y Pueblos Indígenas de 7 de julio de 2004.*

*Ley 3089, interpretativa del artículo 93 de la Constitución Política del Estado de 6 de julio de 2005.*

*Ley 3091 de Convocatoria a Asambleistas Constituyentes de 6 de julio de 2005.*

*Decreto Supremo 21060 de aplicación de la Nueva Política Económica, de 29 de agosto de 1985*

*Decreto Supremo 28228 de convocatoria a Elecciones Generales, de 6 de julio de 2005*

*Decreto Supremo 28429 de redistribución de escaños parlamentarios, de 1º de noviembre de 2005.*

*Ley especial 3364 de Convocatoria a la Asamblea Constituyente, de 6 de marzo de 2006.*

*Ley 3365 de convocatoria al referéndum por autonomías, de 6 de marzo de 2006.*

*Ley 31, Ley Marco de Autonomías y Descentralización “Andrés Bello”, de 19 de Julio de 2010.*

*Ley modificatoria de la Ley 026. Ley de Distribución de escaños entre departamentos, de 7 de octubre de 2013.*

#### **Constitutional Tribunal (Plurinational State of Bolivia), in Spanish**

*Consulta Constitucional 001/2001.*

*Declaración Constitucional 001/2001.*

*Sentencia Constitucional 066/2005.*

*Sentencia Constitucional 075/2005.*

*Sentencia Constitucional 076/2005.*

*Declaración Constitucional 003/ 2012*

*Sentencia Constitucional 2055/2012*

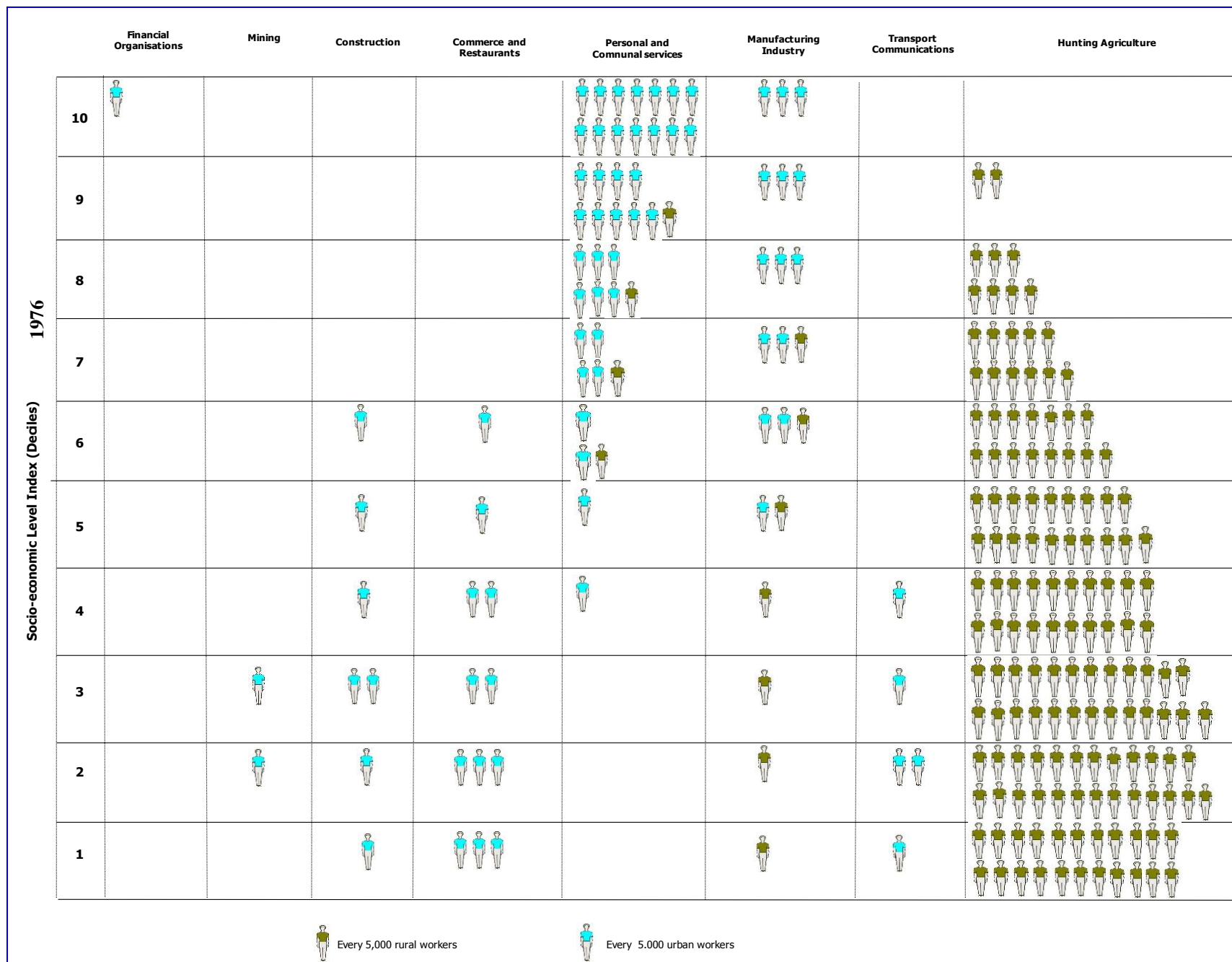
**International Labour Organisation (ILO).**

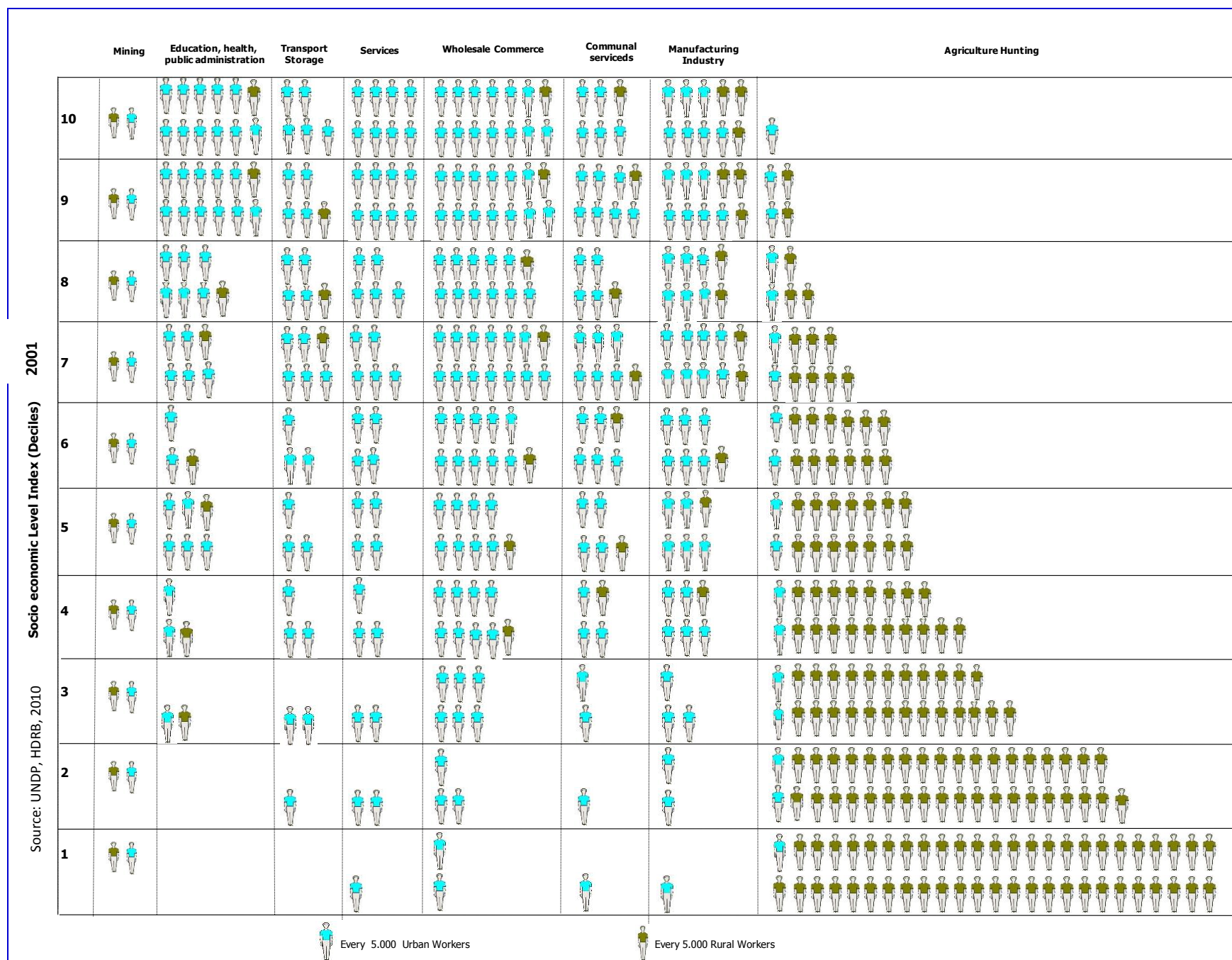
*Indigenous and Tribal Peoples Convention of 1989, ratified by Bolivia the 11th of December, 1991.*

**UNASUR**

*Declaración de los Jefes de Estado de Unasur sobre la Crisis en Bolivia, de 15 de septiembre de 2008 (Spanish).*

**Annex 1**  
**Evolution of the Socio-economic pyramid in Bolivia (1976 -2001)**







## ANNEX 2

### The de-legitimation and re-legitimation of the State and Political Institutions in the Bolivian Constituent Assembly

<i>1) What is wrong? Discourses of de-legitimation of the nation and the state</i>					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
The Spanish conquest brought exploitation of the indigenous peoples and nations which lived under the powerful Inca Empire, and the plundering their natural resources. Such a colonial condition did not change even after independence. Bolivia is a state without a nation in which we can find different nations without a state	The Bolivian reality plurinational, therefore complex and motley. Plurinationality is a fact in Bolivia but the Bolivian state was always mono-cultural and, therefore, the state is divorced from its nations, from the class structure, from its real economy and from its complex regional outlook	Bolivia as the whole of L.A. is a post-colonial social structure designed to provide natural resources for the developed world. The MNR through the Revolution, the march to the east, the LPP and other reforms has pioneered changes. Nevertheless, the crafting of the Bolivian state and its nation are unfinished projects	The problem of Bolivia lies in the realm of values and beliefs. The Bolivian elites had been unable to build a democratic state and society because they were unable to behave according to the moral standards of the democratic regime and the idea of the rule of law.	The Bolivian state has been historically unable to overcome social, ethnic and territorial exclusions and to promote a national identity. The Bolivian state in its bureaucratic face had been always affected by important levels of corruption, corporatism, centralism and inefficiency related to an extreme Presidentialism	Historically, trying to promote the idea of being a unitary Republic, the Bolivian state has been structured rather as a centralist state. The political elites always tried to monopolise the state power in order to monopolise the access to natural resources. Santa Cruz developed despite the Centralist state
<i>What should we do? Discourses of re-legitimation of the nation and the state</i>					
Bolivia should be a plurinational-popular state, intercultural, unitary and decentralised at the Departmental, regional, and at the level of the First People's nations.	Bolivia should be an independent, free, plurinational, intercultural and plurilingual state based on the principles popular sovereignty and pluralism.	Bolivia should be a multinational and bases itself under the principle of equality between all nationalities, ethnicities and indigenous peoples inhabiting its territory.	Bolivia needs a national project of unity within regional, cultural, political, economic and social diversity, under a basic consensus between all Bolivians to	Bolivia should be ONE NATION with cultural, ethnic and linguistic diversity which, in the framework of interculturality, upholds the benefits of freedom and guarantees the equality,	Bolivia should be a free and sovereign republican and democratic state. It is also a plural, unitary and autonomic state constituted by the unity of its nine

(Qullasuyu) Bolivia is a plurinational, plurilingual and pluricultural state built upon the ancestral and millenary territories of the indigenous and First People's nations. The official languages of the state are the Aymara, Quechua and the languages of the other indigenous peoples. The state upholds and sustains the religious practices and the cosmic and telluric religiosity of the indigenous peoples	The official languages of the state are those of the indigenous, peasant and first people's nations and Spanish in equality of conditions. Religious freedom and the spiritual practices of the indigenous nations are recognised. Bolivia is a state characterised by being: <b>Unitary</b> <b>Plurinational</b> <b>Pluricultural</b> <b>Intercultural</b> <b>Comunitarian</b>	Bolivia is an <i>Estado social de Derecho</i> . Bolivia respects the Catholic religion as official, although it respects other beliefs.	build a different country, a superior legacy of development with equity. It's a social and democratic state under the rule of law. The state does not uphold any official religion but it does not promote laicism.	human dignity, gender and generational equality, political and religious pluralism and justice for all of those who live and work inside and outside its territory. The country is plurilingual but Spanish is the language of national integration.	autonomic departments. The official and commercial language of Bolivia is Spanish. Traditional languages are also official within the framework of their application. Bolivia's official religion is Catholicism, although the state guarantees the free exercise of any other belief that promotes good principles and conviviality between Bolivians
--	--	---	---	--	--

2) What is wrong? Discourses of de-legitimation of the principles justifying political order					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular</b> <b>Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
The political reforms undertaken during neo-liberalism have been <i>ornamental</i> reforms aimed at masking the colonial nature of the Bolivian state. However, the indigenous sectors would have taken these reforms in a	Neo-liberalism exacerbated the exclusion of the vulnerable sectors through the policies adopted using the mechanisms of representative and <i>pacted democracy</i> , by which oligarchic sectors managed to monopolise power at the	Representative democracy is the only principle for the legitimization of power; however, since the 1970s there has been an increasing debate regarding the incorporation of institutions	There is a contradiction between the normative and moral standards of democracy - equality, equity and the much needed attention to the vulnerable sectors of	Corruption, corporatisation of political action and centralism had created disenchantment with the political system and the state bureaucracy.	There is a structural crisis of representative democracy which over time would have transformed into a democracy of political parties, transforming representative

positive manner to occupy power at the local level and even the national Government	expenses of the popular demands for participation in the decisions regarding the distribution of wealth and natural resources	of participatory democracy.	society- and the undemocratic behaviour of the political leaders within the so-called traditional political parties.		democracy in a dictatorship of the political parties.
<i>What should we do? Discourses of re-legitimation of the principles justifying political order</i>					
The Andean trilogy: Ama Sua, Ama Llula and Ama Q'ella –Do not lie, do not steal, do not be lazy-. Solidarity, freedom, equality, justice, complementarity, equity, self-determination, reciprocity and inclusive decentralisation. The Bolivian Government is participatory and democratic, as well as a communitarian. <i>The plurinational state promotes a consensual form of Government based on the communitarian and indigenous norms</i>	Principles: The respect for life, dignity, identity, sovereignty and the Good Life or <i>Vivir Bien</i> – <i>Suma Q' amana</i> ; complementarity, reciprocity, redistribution, solidarity, freedom, equality, plurality, balance, justice. It is necessary to complement participatory democracy with communitarian democracy.	The form of Government: Democratic, representative, participatory and egalitarian. The Bolivian legal order upholds the supreme values of freedom, equality and justice.	The supremacy of the Constitution is the key principle of the Bolivian state. Values: Equity, justice, unity, freedom and peace	The fundamental principles adopted by the Bolivian state are the principles of welfare, freedom, equality and justice as its supreme end. The fundamental values of the Bolivian state are: human rights, life, political and religious pluralism, respect for the customary social norms, practices and organisation of the different indigenous peoples, social responsibility, democracy, tolerance, freedom, transparency, unity, equality, equity, justice, solidarity and human dignity	The principles of the Bolivian state are: Total democracy, justice for all, equality without discrimination or subordination, absolute freedom, general solidarity, peace, national development, complete departmental autonomies, legal security, social security, citizen security, overall improvement of the quality of life, work for all the population, respect for the public property, respect for the private property, absolute transparency, freedom of association and support for the productive services

--	--	--	--	--	--

3) What is wrong or incomplete? Discourses of de-legitimation of the institutional structure of the political system					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
The institutions in place at the moment, as a continuation of the colonial legacy of the Bolivian society, suffer from a deficit of representativeness because they have always excluded indigenous sectors. The result is a state extremely distant from its people and therefore a gulf between those who govern and those who are governed.	Representative democracy as a reflexion of the un-representative character of the state cannot give way for the expression of the real social formation of the country. Therefore, representative democracy has to be complemented with institutions of participatory and communitarian democracy	The institutional design of the Bolivian democracy is not adapted to the Bolivian reality. The monopoly of representation exercised by political parties strangles the demand of the people for more representation, especially for being represented by their <i>natural</i> organisations	The crisis of Governance stems political culture of society, especially within the elites and the corporatist entities that confuse participation with <i>participacionismo</i> .	Centralism, the extreme influence of the Executive branch and the politicisation of the judiciary are creating inefficacy, giving way to nepotism and other practices that undermine the political institutions.	Political parties and the parliament would have lost legitimacy because of the monopolisation of popular power. Indirectly, thus, the Judiciary, The National Electoral Court and others would have also lost legitimacy.
What should we do? Discourses of re-legitimation of the institutional structure of the political system					
3 Branches: 1.Legislative (Unicameral based on the principles of population, culture and cultural representation) 2. Judiciary (Based on the principle of legal pluralism and the coexistence of indigenous and ordinary justice in equal hierarchy).	4 Branches: 1.Legislative (Unicameral: Plurinational Legislative Assembly elected combining direct representation and customary norms) 2.Judiciary (based on the principle of legal pluralism	3 Branches 1.Legislative (bi-cameral), 2.Judiciary and 3.Executive branches. It is important to transform Presidentialism into Parliamentarism and the adoption of 4 territorial levels for the executive branch: National,	Bolivia should be a parliamentarised -presidentialist system. 4 Branches: 1.Executive (Head of Government and head of State should be separated) 2.Legislative (Bicameral, the lower representing the population; whereas the	3 Branches 1.Legislative (Two chambers, one representing population and the other representing the Departments. The Legislative is also present in the autonomous departments and the	4 Branches: 1.The most important should be the Electoral Branch (formed by a national court, departmental courts and municipal courts). 2.Legislative (Bicameral national structure, and representative assemblies in

3.Executive: Directly elected by the popular vote; in ballotage if needed). <b>4.Fourth Branch:</b> Amautic Power (Spiritual and moral for control and accountability)	based on the equal hierarchy of ordinary and communitaria n justice) 3.Executive: Elected by absolute majority in ballotage if needed. 50% of the Cabinet should be proposed by the Legislative). 4. Social Control Branch: Formed by members of Civil Society	Departmental, Municipal and Regional. Every elective office should be subject to the mechanism of the recall Referendum and a re- election of the President should be permitted only for two mandates.	higher should represent the Departments) 3.Judiciary (Elected by a specialised techinal body. Customary Justice is complementary but not in the same hierarchy of the ordinary system) 4. Transparency and Accountability Branch made of the Ombudsman, Contraloria, Precuradoria, Attorney General and the Electoral Tribunal)	Municipalities ). 2. Executive (President and Vice-President elected by absolute majority, in ballotage if needed. The Governors of the autonomous departments and the Municipal Mayors will form part of the Executive Branch) 3.Judiciary (Independent). The Constitutional Court is independent from the others, in charge of the control of legality and the oversight of human rights.	the Departments and the Municipalities ). 3.Judiciary (Formed by the Supreme Court of Justice, The Constitutional Court and a Council of the Judiciary. It will have a similar structure at the departmental and municipal levels). 4.Executive (At the national level will be formed by the President and its Cabinet, a structure that will be repeated at the Departmental and Municipal levels).
--	--	---	--	--	--

4) What is wrong or incomplete? Discourse of de-legitimation of the current state of the local or intermediate levels of government (its presence, absence or performance)					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
The state has never recognised the collective rights to self-government of the indigenous peoples and communities, legalised in the	The 1994 Constitutional reform was in reality a continuation of the practices of exclusion by the Bolivian state; the	There is a crisis of the centralist state. It is important to deepen the process of decentralisation at the Departmental	The political centre of the country has been historically weak; however the culture of centralism has been strong within its	Centralism is in crisis and it exacerbates exclusion and inequalities within the Bolivian territory	The lack of political decentralisation towards the Departmental level is one of the signatures of the historical

169 ILO Covenant.	indigenous nations and peoples were not represented then. Nowadays these peoples and nations are represented they demand a deepening of the process of decentralisation through different types of autonomies	and local levels.	elites. On the other hand, Bolivia has always faced centrifugal forces from within. Therefore, we need to continue the decentralisation process, avoiding these centrifugal impulses.		prevalence of centralism.
<i>What should we do? Discourses of re-legitimation of the local or intermediate levels of government (Their creation, replacement or improvement)</i>					
We should advance in the administrative decentralisation with more competencies for the Departmental, Municipal, Regional levels, as well as for the level of the First People's nations. <i>We need the re-territorialisation of the state based on the reconstruction of the ancestral indigenous territories.</i>	In the framework of the Plurinational state the following type of autonomies are recognised: Indigenous-territorial Municipal-intercultural Provincial Departmental Regional-intercultural Regional-Indigenous Administrative structure of the State: Departments Provinces Municipalities Districts Territories Indigenous autonomies	The Bolivian state is Unitary but undergoes a process of administrative and political decentralisation.	Political autonomy should be granted just to the Departmental territorial levels of the state. Autonomies should be understood as the deepening of the process of decentralisation within the framework of a unitary state.	Decentralisation is adopted at the departmental and municipal levels. It entails the transfer of administrative responsibilities, political legitimacy and fiscal competencies to the mentioned levels. Principles: political unity –legality and national unity-, economic solidarity – interterritorial transfers and free movement of goods, services and labour- and social equality –equality in rights and obligations-.	The unitary character of the Bolivian state is made of the unity of its nine departments and they, in turn, are constituted by their autonomous municipal governments. The Municipal Governments are in charge of taxation. Resources should be redistributed as follows: -33,33% for the national Government Out of the remaining 66.67% will be distributed as follows: -50% for the Autonomous Departments

					-10% for the National Compensation Fund -10% for the Universities.
--	--	--	--	--	---

5) <i>What is wrong? Discourses of de-legitimation of the role of the state in the provision of public goods and the promotion of economic growth. Performance Legitimacy</i>					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
Bolivia is a dependent state, an underdeveloped economy with an unsurmountable external debt, without industries or technology, lacking a proper bourgeoisie, and full of superiority and inferiority complexes steaming from racism and exclusion. The Bolivian society is extremely poor, unequal and vulnerable in terms of social development, especially in rural areas.	The peasantry, the indigenous sectors and the impoverished urban population of Bolivia had never enjoyed the benefits of Bolivia's natural resources. The Spanish Crown, the Europeans, and even other South Americans had always benefitted from these resources in detriment of the excluded sectors.	The Bolivian economy has been historically based on the exports of raw materials; however it has not been able to attract enough foreign investment or carry on a proper process of industrialisation, neither under the RN, nor after the structural reform of 1985.	Bolivia faces important problems of inequality and poverty, exacerbated by the impacts of the structural adjustments of the last decades. These had deepened the <i>dualisation</i> of the Bolivian economy between a formal and an informal sector. Finally, the Bolivian economy is a narrow-based economy concentrated in the export of raw materials.	Centralism exacerbates exclusion, inequality and the marginalisation of important sectors, especially in the rural areas of Bolivia. There is a failure in the Bolivian state in regards to policies aimed at the generation of employment, property rights and a complete neglect of the productive sectors. Bolivia suffers from being a narrow-based economy based in the exports of raw materials.	The centralist bureaucratic structure is inefficient and combined with the monopolisation of power by political parties widened social inequalities
<i>What should we do? Discourses of re-legitimation of the role of the state in the provision of public goods and the promotion of economic growth</i>					
The Bolivian economy	The plurinational	The Bolivian economy is	The economic regime should	The economic model should	The economic



<p>should be a mixed economy between the market economy and the economy of the Andean system under the command of the state.</p> <p>A new economic role for the state based on the principles of the ayllu community. Depending on their geographic location, non-renewable and renewable natural resources are property of the First People's nations</p>	<p>state seeks to establish a social-communitarian economy aimed at the fulfilment of the principle of the <i>good living</i> or <i>Vivir Bien</i> for the communities and the individuals, based on the idea of economic pluralism and the articulation of the spaces of distribution, production and consumption, giving a renewed value and hierarchy to the communitarian economy. The economy will be led by the state through the recovery and command of the strategic non-renewable and renewable natural resources.</p>	<p>state, social and market economy. The Bolivian society should benefit from being a gas-producing country, this by socialising the access to affordable energy. It is a priority of the state to promote rural development through public investment in infrastructures, research and technology to promote rural productivity. Decentralisation and autonomy should enhance the agro-industrial development of the country under the principle of solidarity.</p>	<p>be neutral. The market should be for society and not the other way around. We need a multiple-based economy with irradiation capacity to step back from the pattern of development based on the export of raw materials. The driver of the transition towards a broad-based economy should be the popular enterprise supported by the state and articulated to the communitarian economic units of the rural areas.</p>	<p>be diversified and differentiated by sectors and geographic spaces. The state recognises and guarantees private property and individual and collective land property. Non-renewable resources are under the dominion of the state, which can give them in concession for a limited period. Renewable natural resources are under the dominion of the state. Their administration and regulation correspond to the national, departmental and municipal levels of Government.</p>	<p>model of development in Bolivia is autonomic. The objective of the model of development is to ensure that each citizen a dignifying existence, seeking to boost the individual impetus as a member of the Bolivian society. The Republic of Bolivia should guarantee the exercise of any economic activity independent from state authorisation, except for the cases specified by law.</p>
--	--	--	--	---	--

6) What is wrong? Discourses of de-legitimation of the system of political representation and leadership (Political Actors)					
<b>MOP/AYRA</b> <b>5</b> <b>Constituents</b> <b>1 % of the</b> <b>Popular Vote</b>	<b>MAS-IPSP</b> <b>137</b> <b>Constituents</b> <b>50.8% of the</b> <b>Popular Vote</b>	<b>MNR</b> <b>8</b> <b>Constituents</b> <b>2.3 % of the</b> <b>Popular Vote</b>	<b>UN</b> <b>8</b> <b>Constituents</b> <b>7.2.% of the</b> <b>Popular Vote</b>	<b>PODEMOS</b> <b>60</b> <b>Constituents</b> <b>15.4 % of the</b> <b>Popular Vote</b>	<b>APB</b> <b>3</b> <b>Constituents</b> <b>2.3% of the</b> <b>Popular Vote</b>
The Bolivian elites, its politicians and	The political parties that adopted neo-	Political parties had monopolised	There is a crisis a national	Political actors had failed in accomplishing	Political parties and their leaders,



bureaucrats had always acted in a corrupt, nepotistic, clientelistic, discriminatory and biased manner, especially towards the vulnerable sectors of society that had been historically excluded –the youth, indigenous peoples, women, the poor, etc.	liberalism neglected the peasantry, the indigenous communities and other excluded sectors, excluding them, politically, from the decision making process through which the 21060 S.D. or the Capitalisation Law were adopted.	democratic representation, creating limitations for the representation of the interests of the <i>natural</i> organisations of civil society.	leadership, crisis by which those who govern failed because they were trapped by their power interests, their cynicism and pettiness. Bolivia is becoming, thanks to this, less of a country and more into a space of particularism and corporatism.	the legitimate right of the citizenry to elect its representatives.	as well as the bureaucracy of the centralist state are to blame for the political crisis that led to the call for a CA.
<i>What should we do? Discourses of re-legitimation of the system of political representation and leadership (Political Actors)</i>					
Indigenous peoples should have direct access to the legislative by exercising cultural representation through their customary practices and norms.	More direct democracy and fewer incentives for the formation of coalitions and traditional political parties.	It is necessary to complement representative democracy with the introduction of participatory democracy institutions.	We need to advance in a change in the values and beliefs of the Bolivian elites in order to overcome the crisis of representation	More direct democracy and fewer incentives for the formation of coalitions.	To overcome the dictatorship of political parties we should advance towards a regime of Total Democracy, by which any citizen, independently of his or her allegiance to a political party should be able to postulate to any elective position in the state structure.

### Annex 3

#### List of Interviews (In order of appearance in the text of the thesis)

Name	Relevant Biographic Details	Place, Month/Year of the Interview
1. Gonzalo Sánchez de Lozada	President of Bolivia between 1993 and 1997, and once again in 2002-2003. He was forced to resign by popular mobilisation IN October of 2003.	Washington, DC, May, 2013
2. Víctor Hugo Cárdenas	One of the founders of the Katarista parties, MRTKL, and former Vice-president of Bolivia between 1993 and 1997, when his party entered in alliance with the MNR.	La Paz, Bolivia, October, 2011
3. Maria Teresa Paz	Former MP for the department of La Paz, representing the MNR between 1989 and 2005.	La Paz, Bolivia, March, 2015
4. Guillermo Bedregal	Historical leader of the MNR who participated in the Revolution of 1952. Bedregal competed with Sánchez de Lozada for the leadership of the party in 1989. He was President of the lower chamber and Minister of Foreign Affairs amongst other important positions.	La Paz, Bolivia, July, 2011
5. Alfonso Ferrufino	Was one of the founders of the MIR. He was an MP representing Cochabamba in the transition to democracy (1979-1982). He later broke with the MIR to found the MBL ( <i>Movimiento Bolivia Libre</i> ). He was Minister of the Presidency (2003-2004), under Carlos Mesa. He is currently country specialist in International IDEA, Bolivia.	La Paz, Bolivia, April, 2013
6. Javier Murillo de La Rocha	Former member of ADN and Minister of Foreign Affairs between 1997 and 2001.	La Paz, Bolivia, March, 2015
7. Jaime Cárdenas	Member of the MAS-IPSP. Former rural trade-union leader and representative for the Departmental Assembly of Chuquisaca, between 2010 and 2015.	Sucre, Bolivia, August, 2011
8. Bernardo Suárez	Member of VERDES, which later became DEMOCRATAS. A	Santa Cruz de la Sierra, Bolivia, August, 2011

	political organisation promoting departmental autonomies. He was a member of the civic committee of Camiri, Santa Cruz, and later a representative for the Departmental Assembly of Santa Cruz, in 2010.	
9. Juan del Granado	Founder of the MSM, former Mayor of La Paz between 1999 and 2010. His party was in alliance with the MAS-IPSP between 2005 and 2009.	La Paz, Bolivia, October, 2013 (Interviewed by a research assistant)
10. Erika Brockman	Former member of the MIR. She was one of the first women to become a member of the Senate for the Department of Cochabamba. She held that position between 1997 and 2006	La Paz, Bolivia, April, 2013
11. Marianela Paco	Former MP representing the MAS-IPSP, for the department of Chiquisaca. She is currently the Minister of Communications of the Plurinational State of Bolivia.	La Paz, Bolivia, March, 2013
12. Ernesto Suárez Sattori	Ernesto Suárez Sattori was a municipal councillor and later (1997) an MP representing ADN for the Department of Beni. Later he was the first elected Prefect of the department representing PODEMOS. He had also strong links with the civic committee of that Department and was one of the key figures of CONALDE	Trinidad (Beni), Bolivia, November, 2012 (He hand in a written copy of his responses through his Lawyer)
13. Juan Carlos Pinto	Juan Carlos Pinto was a leftist activist linked to the current Vice-President of Bolivia, Alvaro García Linera. They were members of a Guerrilla movement (EGTK) in the 1990s. Pinto was the Head of the Presidential Representation to the Constituent Assembly.	La Paz, Bolivia, March, 2013
14. Carlos Böhr	Böhr started his political career in the Bolivian socialist party – PS-1, and later was a MP representing the MIR (1989-1997) and later ADN – between 1997 and 2002. He was one of the founders of PODEMOS. He was a member of the senate	La Paz, Bolivia, March, 2013

	between 2006 and 2009 and one of the key negotiators between PODEMOS and the MAS-IPSP during the state crisis studied in this thesis.	
15. Luis Revilla	Luis Revilla was one of the founders of the MSM. He was President of the Municipal Council during 2008 and he is the current Mayor of La Paz. After the MSM disappeared in 2014, he founded a new party called SOL.BO.	La Paz, Bolivia, November, 2013(Interviewed by a research assistant)
16. Eduardo Rodríguez Veltzé	Former President of Bolivia, between June 2005 and January 2006. Rodríguez Veltzé was President of the Supreme Court of Justice and became President after the fall of Carlos Mesa. He led the transition between the Presidency of Mesa and the Presidency of Morales, brokering the necessary agreements to call for a CA and the referendum on departmental autonomies.	La Paz, Bolivia, July, 2011
17. Carlos Romero	Carlos Romero was representative to the CA for the MAS-IPSP, department of Santa Cruz. Romero is the current Minister of Government, a position that he also occupied between 2012 and 2014.	La Paz, Bolivia, January, 2014
18. Rodrigo Zubieta	Rodrigo Zubieta was one of the key advisors of Dante Caputto who is the Secretary for Political Affairs of OAS. He is the current Head of Special Missions at the OAS.	September, 2013 (Via Skype from Washington DC)
19. Gustavo Fernandez	Former Minister of Foreign Affairs between 2001 and 2002; between 1984 and 1985 and in 1979. He has extensive contacts inside the Latin American diplomatic community, especially in Brazil, where he was the Bolivian Ambassador between 1983 and 1984	La Paz, Bolivia, December, 2010
20. Edward Bruckner	Leader of the MNR in the Department of Beni.	Trinidad (Beni), Bolivia, November, 2012

Interviews with members of the CA. Provided by FES-ILDIS. I was part of the team in charge of the transcription of these interviews.		
21. Jeanine Añez	Representative to the CA for the department of Beni, who ran under the PODEMOS	2011
22. Guillermo Richter	He was the leader of the representation of the MNR in the CA	2011
23. Félix Cárdenas	Representative to the CA for the indigenous organisation Patria Insurgente, close ally to the MAS-IPSP during the CA. He was president of the country's vision commission during the CA and later Vice-Minister of de-colonisation, Ministry of Justice of Bolivia	2011
Interviews with historical leaders of the MIR. Provided by FES-ILDIS		
Julio Aliaga Fernando Cajías Guillermo Cuentas Oscar Eid Franco Irineo Espinoza Mateo Laura Antonio Oviedo	All of these persons were high standing members of the MIR between the 1980s and the late 1990s. Oscar Eid, for example, was the Second most important leader after Jaime Paz Zamora.	The interviews were obtained by Moira Zuazo, coordinator of the Political Dialogue Project at FES-ILDIS, in 2011. I obtained access to the database with a special permission to be used in the present thesis, in 2012.

## **Annex 4**

### **Indicators**

#### **Explanatory Variable 1. The Sequence of Socio-economic Change (since 1976)**

I have traced the socio-economic changes experienced in Bolivia since the late 1960s, through quantitative variances in:

- The Human Development Index provided by UNDP with data obtained from the Census carried on since 1976 in Bolivia.
- Demographic changes (Internal migration and urbanisation) provided by UNDP and the World Bank (1960) and obtained from the census carried on in Bolivia since 1976.
- Changes in terms of the incidence of poverty and inequality measured by the Gini index, extreme and moderated poverty. The data will be obtained from UNDP based on the census carried on in Bolivia since 1976.

#### **Explanatory Variable 2. The Sequence of Politico-institutional Change (Since 1979)**

I have traced the politico-institutional changes in Bolivia, since 1979, through quantitative and qualitative variances in:

- A process-tracing analysis of the key politico-institutional reforms in the period. The data will be obtained combining the results of elite interviews with social and political leaders during the period, the analysis of the changes in the relevant legislation regarding the political system of the country; and the analysis of secondary sources and specialised analyses of the period.
- The development of the political party system since 1979. The relevant information was obtained by the combination of qualitative and quantitative data on the electoral performance of the political parties in all the electoral events since 1979 (provided by the Electoral Atlas of Bolivia, elaborated by the Supreme Electoral Tribunal –TSE in Spanish, supported by UNDP); the results of elite-interviews with leaders of the political party system during the period; and secondary analyses of the period.

### **The Exogenous Variable (Trigger)**

*I have addressed the Impact of the Asian Financial Crisis* by tracing the evolution of indicators mentioned in Section 1.4.1 between 1999 and 2001.

### **The Intervening Causal Mechanism. The relation between legality and legitimacy between 2000 and 2008**

I have measured the relation between legality and legitimacy during the period under analysis through a combination of quantitative and qualitative variances in:

**1. Legitimacy (Legitimation, de-legitimation and re-legitimation):** As emphasised before, my approach to legitimacy is empirical. To measure the process of legitimation, thus, we should take a process-oriented approach. “Empirical legitimacy may be a matter of degree...there can be no absolute or timeless yardstick of legitimate political authority” (Hurrelman et al, 2010:4). To assess the legitimation of the different levels and dimensions analysed in figure one, in Bolivia, during 1979-2000 and 2000-2008, we will follow (Ibid) a triangulation strategy.

According to this strategy, there are three indicators which can be used in a combined manner to assess the levels of legitimacy of a political actor or institution. These indicators would be:

**The quantitative levels of public support for the political actors and institutions over time.** In order to assess this variable, I have used the Latin American Public Opinion polls carried out in Bolivia by Professor Mitchell A. Seligson and his collaborators, once every two years, since 1998. I complemented this information with data from the Latino barometer and UNDP in Bolivia.

Legitimacy can also be measured by “conventional and unconventional political behaviour such as voting in elections, joining political parties and community organisations, or participation in protest movements or events” (Ibid: 7-8). I have addressed the levels of legitimacy of the political actors and institutions, by combining **the analysis of the electoral performance of political leaders, parties and the party system, vis-à-vis the voting behaviour of the population and the levels and patterns of social conflict and**

**protest in the country.** As analysed by Calderón et al. for Latin America in 2010<sup>109</sup>, the higher the number and violence in social conflicts and protests is, the lower the legitimacy of the political system will be. I have used, to address this indicator, the electoral results of every electoral event carried out in the country since 1979, provided by the Electoral Atlas of Bolivia (TSE/UNDP, 2013). We will combine this information, with the database on social conflict in Bolivia, since 1971, elaborated by Roberto Laserna (2008), and based on press reports of conflict and protest, carried out by CERES-Bolivia.

“Finally, a number of authors have recently suggested that an unexplored potential of legitimacy research lies in the examination of political discourse that takes place in various public arenas such as parliaments or the media” (Hurrelman et al. 2010: 8). In order to assess the legitimacy of political actors and institutions throughout the period, **I analysed the legitimization, de-legitimation and re-legitimation discourses of different actors and organisations throughout the period.** I did so by analysing historiographical accounts, official archival documents of the congress debates and the CA, obtained from the historical encyclopaedia of the CA, different press news in the period under study, and the elite interviews carried out in Bolivia during the field work.

**2. Legality:** According to our elaboration of the concept of legality, in a former section of this study, we consider that the primacy of the constitution over laws and executive acts is the key variable to assess the legality of political change. In order to assess the supremacy of the constitution, in turn, we should verify if the most relevant political reforms in the period under study followed the rules of change established in the constitution itself. Finally, assuming that the judiciary or a specialised branch within it, in this case the Constitutional Tribunal (CT) established in 1998, should be in charge of interpreting the hierarchy of laws, we should be able to assess the legality of these changes by analysing the most relevant decisions of the CT.

In order to operationalise these above-mentioned indicators, hence, **I analysed key political laws in order to assess their legality. I also analysed the most relevant judicial**

---

<sup>109</sup> See: Los Conflictos Sociales en América Latina, Fernando Calderón (Coord.), UNDP Bolivia-UNIR Foundation, 2011.



**decisions of the CT, regarding these laws and their accordance or divergence with the constitution in place at the moment of their approval**

**3. The gap between legality and legitimacy:** In order to integrate the analysis of the relationship between legality and legitimacy, I addressed the process of legitimation, de-legitimation and re-legitimation of different political institutions and the state itself. I accomplished this aim by analysing the emergence of new political actors, their discourses and proposals of politico-institutional change, in contrast to the legal path followed by these proposals before becoming laws.

**4. The gap between legality and legitimacy in regional and historical perspective:**

Part I of the thesis aims at situating the case study in regional and historical context. Chapter 2 aims at situating the Bolivian case study in the context of the region by explaining why Bolivia represents an extreme manifestation of the gap between legality and legitimacy. This in turn is a feature of Latin American states and political institutions that has manifested with different intensities at different points in time. The joint key factors that explain why Bolivia is an extreme case of the gap between legality and legitimacy, and why it deserves to be analysed in the present thesis are the following: first, the particular structure of Bolivia's ethnic, regional and class cleavages, combined with the unusual intensity, velocity and volatility with which social change impacted them; and second, the particular way in which political actors and political institutions failed to adapt and absorb these changes, by representing and transforming them into legal changes.

Chapter 3 of this thesis aims at situating the Bolivian state crisis of 2000-2008 in historical perspective. In order to do so, I undertook a cross-temporal comparison between two former crises of the Bolivian state. These are the so-called Federal War of 1898-1899 and the National Revolution of 1952. I used the results of the cross-temporal comparative analysis to identify a pattern in terms of the politico-institutional development of the country, when it has been impacted by different waves of social change punctuated by external shocks. The cross-temporal analysis takes into consideration the debates between historians as well as older and current historiographical accounts of the periods, aiming at controlling for the ideological weight of different historiographical accounts. In other words, I "identif[ied] and summarise[d] important debates among historians about

competing explanations of a case, and wherever possible I indicat[ed] the possible political and historical biases of the contending authors” (George and Benett, 2005:95).

It is worth noting that Chapter 2 does not attempt to claim historiographic merits. Each section aims at applying the variables constitutive of the theoretical framework, by comparing selected sequences of events leading to former state crises. The objective is to use “the cases available for the testing of theories” (Ibid) combining process tracing and comparative analyses.