



# BOLIVIA INFORMATION FORUM

## **Bolivia Information Forum Bulletin**

**No. 3, July 2006**

This bulletin focuses on the results of the elections to the Constituent Assembly, held on July 2, and the policy of agrarian reform outlined by the government on June 3. The Morales government has moved fast on the policy front during its first five months in office, and these latest policy initiatives come hard on the heels of the nationalisation of oil and gas announced at the beginning of May (see Bolivia Bulletin 2). In general terms, the positive public evaluation of these and other initiatives was highlighted in the elections to the Constituent Assembly in which the popularity of Evo Morales and the MAS administration were made evident.

### **The Constituent Assembly results**

The elections to the constituent assembly were a resounding success for the government:

- The MAS will have a majority of seats in the Assembly, probably 134 out of a total of 255. However, constitutional amendments will require a two-thirds vote in the Assembly, so this means that the MAS will have to reach agreements with other parties. This should encourage the parties to engage more effectively with one another.
- The number of seats does not reflect the true scale of the MAS vote, since the system of representation gives opposition parties a larger number of seats than their popular vote would justify. Of the 255 seats, 210 were elected on the basis of the most-voted party getting two seats, and the runner-up one. The remainder were elected on a departmental basis with each of the nine departments having five members, of which the winning party won two seats, and the parties coming second, third and fourth one each.
- The MAS confirmed its position as a truly national party. Even in Santa Cruz, Pando and Tarija, areas where opposition to Morales has been strongest in recent months, the MAS won as many Assembly seats as its main rivals. In terms of the popular vote, the opposition parties are largely confined to the eastern lowlands. With the exception of the Movimiento Nacionalista Revolucionario (MNR), other traditional parties were all but eliminated from the scene. Even the MNR was limited to a handful of seats.

- The 'no' vote in the referendum on departmental autonomies won by a margin of 56% to 44%. The 'no' vote prevailed in five departments out of the nine (La Paz, Oruro, Potosí, Chuquisaca and Cochabamba), while the 'yes' won in only four (Santa Cruz, Tarija, Beni and Pando). Morales and the MAS had campaigned for the 'no' vote, arguing the scheme of departmental autonomies advocated by groups like the Comité Pro Santa Cruz would benefit Bolivia's wealthier, resource-rich departments to the detriment of the poor.

The composition of the assembly involves mainly people who are not nationally known figures, but many who enjoy considerable legitimacy within their own constituencies. The breakdown by party and by department is as follows:

#### **Constituent Assembly Results by Department (Preliminary)\***

	MAS	Podemos	UN	Others **	Total
La Paz	32	7	7	4	50
Santa Cruz	19	19	-	6	44
Cochabamba	22	8	1	4	35
Potosí	18	2	-	9	29
Chuquisaca	14	4	-	5	23
Oruro	13	4	-	3	20
Tarija	9	1	1	9	20
Beni	3	11	-	6	20
Pando	4	8	1	1	14
Total	134	64	10	47	255

\* Figures taken from quick count by Apoyo SA, published in La Razón, July 3.

\*\* Others include local groupings as well as more nationally known parties such as the Movimiento Nacionalista Revolucionario (MNR) 7 seats; Movimiento Bolivia Libre (MBL) 5 seats; and the Movimiento de la Izquierda Revolucionaria (MIR) 1 seat.

The Assembly will now convene in Sucre, Bolivia's historic capital, on August 6. It will have a maximum of twelve months to come up with a new draft constitution. This will then be submitted to a referendum. According to the wording of the referendum question, the Assembly will be obliged to consider the issue of giving greater autonomy to those departments where the 'yes' vote achieved a majority, subject to an important proviso that this autonomy does not threaten the unity of the country.

What 'autonomy' actually means is likely to be a contentious issue that will excite divisions within the Assembly (and outside). The MAS is likely to oppose granting the sort of autonomy advocated by the Comité Pro Santa Cruz, which would give such departments carte blanche in the use of fiscal resources generated in the departments. A system of fiscal autonomy of this sort would not work if it is applied to some departments and not to others.

Departmental autonomies apart, there are no restrictions (or recommendations) on what the Assembly should or should not do. However, key issues that are likely to come up (many of them inter-related) include:

- The establishment of new political rights for indigenous groups throughout the country, especially with respect to their cultural identity, the observance of traditional forms of law, their political rights and (possibly most important of all) their rights to the natural resources in or under their traditional habitat.
- The establishment of new rules governing the relationship between central, departmental and local government. This will be affected by the issue of autonomies, but may go much further than these. The Assembly may, for instance, wish to redraw the map of departmental and local political boundaries to reflect better the coherence of the communities living within them. The establishment of a tenth department, in the Chaco, has already been mooted.
- The redefinition of the roles and functions of the three branches of government: the executive, the Congress and the judiciary. Bolivia has a presidentialist system, but there may be moves to encourage a more parliamentary system. New forms of congressional representation may be introduced to give greater voice to hitherto excluded groups.
- Some sort of redefinition of the frontier between the public and private sectors. The MAS, for instance, would probably seek to increase the role of the public sector, especially where the use (or abuse) of natural resources is concerned. Limits may also be placed on the activities of foreign companies.

### **Agrarian reforms**

At the beginning of June, the government issued seven decrees on the vexed issue of land ownership in the eastern part of Bolivia. Problems associated with land concentration have led to growing militancy among those who find themselves without land or who find the land they possess being encroached upon by large-scale farmers – often soya farmers or cattle herders. This has highlighted the insecurity of tenure among small-scale landowners and indigenous groupings, a problem that the 1996 INRA Law was supposed to address.

Among the government's proposals was the authorisation of land distribution on 2.2 million hectares of government-owned land in the Amazon region of Bolivia. The government also ordered the granting of land titles on a further 3.1 million hectares to indigenous groups in the departments of Santa Cruz, Beni, Pando and Tarija. President Evo Morales, in addition, warned that land held by private individuals or corporations but not put to productive use would revert to the state. This was a serious warning in a part of the country where private estates have grown enormously in recent decades but where much of the land is not used for agricultural production. In many instances, land ownership is simply used as collateral for borrowing for other purposes. There has also been a huge (but largely undocumented) expansion of foreign landownership. This is particularly prevalent in the area close to the border with Brazil.

Regulation of landownership in eastern Bolivia is inadequate. This is the job of the Instituto de la Reforma Agraria (INRA), an institution established in the late 1990s to promote land titling. However, only a small proportion of the land that should have been titled – under a process known as *saneamiento* – has received legal title, in spite of pressure from small-scale farmers and rural communities to speed up the process. Farmers allege that the work of the INRA has been deliberately frustrated by the *cruceno*

(people of Santa Cruz) oligarchy, and is influenced more by local landowners than by those without sufficient land.

Land occupations – usually on land which is not being put to productive use – have become increasingly frequent in recent years in Santa Cruz and elsewhere in the lowlands. The Movimiento Sin Tierra (MST) has been the main protagonist. The MST bears a resemblance to the movement of the same name in Brazil, but has no connection as such with it. As landowners resort increasingly to arming themselves, or hiring gunmen for the purpose, to defend their interests, there is every possibility of rural violence becoming more pervasive as those occupying land also begin to arm themselves.

The government's proposals for speeding up land redistribution in eastern Bolivia has met with a hostile response from landowners' organisations. The Cámara Agropecuaria del Oriente (CAO), the umbrella group for landed interests in the lowlands, issued critical comments. Other groups suggested that they would oppose the government's proposals if they involved any threat to private landowning. By stressing that redistribution will take place on state-owned land, the government has sought to avoid any direct provocation to such interests.

The waters were further muddied by statements by the prefect of Santa Cruz, Rubén Costas, that much of the state-owned land belongs to the department and municipalities, not to the central government.

The government will probably not seek to pick a fight with landowning interests in the short term at least. The Catholic Church, represented by Cardinal Julio Terrazas, the archbishop of Santa Cruz, has called for dialogue in the quest for an agreement which will provide land for those who need it most.