

Bolivia Update: Arce's First Year

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In October and November of 2019, clashes over the validity of presidential elections in Bolivia led to protests and the eventual ouster of the leftist Indigenous president Evo Morales, in what most observers characterized as a coup. In the year that followed, the interim regime, led by Jeanine Añez, oversaw a deeply repressive regime that confronted protests on two occasions with large-scale killing by the military. The year of de facto rule was further compounded by COVID and by corruption, with widespread theft and graft. When new elections were finally held in October of 2020, the ousted party returned to power with a new president, Luís Arce. Evo Morales came back from exile in Argentina, and the resurgent MAS party - the 'Movement Toward Socialism' - took back the state. Now a year later, President Luís Arce continues to grapple with an extremist right-wing opposition and the challenges of governing in a post-coup scenario amidst an ongoing pandemic. Against ongoing efforts by the right-wing to destabilize the new president, the country's robust peasant and worker social movements, in large part rural and Indigenous, continue to turn out in the streets to offer their ongoing support - both for Arce and for the democratic mandate he won in the polls.

But beyond the electoral win, Bolivia's situation is complicated. Luís Arce has managed to juggle the pandemic, the economic downturn, and right-wing machinations. As such, his first year is a success if seen against the backdrop of the situation at hand. Bolivia has received a medley of vaccines - from Russia, China, the US, and Argentina - and has been feverishly trying to get them into people's arms. The government has also been methodically scooping up those accused of taking part in the 2019 coup and putting them in jail. This has followed popular clamor for justice for the victims of army violence as well as a scathing report by a 'Group of Independent Experts' (GIEI). Backed by the OAS (and partly financed by the United States) the GIEI carried out an exhaustive investigation and produced a report that detailed numerous human rights abuses and confirmed the two massacres carried out by the coup regime in late 2019. In the wake of Morales' ouster, the tide of international opinion seemed to be adopting the argument that Morales was rightfully ousted in the wake of fraud - in no small part thanks to the efforts of the OAS and the US itself. But the work of a number of academic researchers has debunked the OAS's "evidence" for the coup. And the GIEI report, against what many expected, has actually documented the gross abuses of the coup regime. International opinion - and the facts - are now leaning in the other direction.

Even so, in past months the right-wing opposition, from its geographic base in the eastern Bolivian city of Santa Cruz, has been moving from one tactic to another in an effort to keep the Arce government on its heels. The ostensible motives are varied. In the immediate wake of Arce's October 2020 victory, a small segment of the right tried to mobilize claims of fraud once again. Given the international recognition that Arce won in free and fair elections, that effort fizzled. A few weeks later, when the government started jailing those responsible for the coup, the opposition again called for a national work stoppage, claiming that there was a political witch-hunt underway. That effort hinged on an ongoing division in Bolivia - between those who believe the 2019 events were a coup and those who believe that the upheaval was precipitated by Evo Morales' attempt at electoral fraud. The 'coup vs fraud' cleavage remains an abyss. The MAS' rural and urban majority base of support is on one side (it was a coup), while the mostly urban upper- and middle-classes of the opposition are on the other (it was fraud). The fact that this latter sector controls most of the media outlets means that the fraud message - and the story of 'political persecution' - is a constant daily barrage.

Nonetheless, this national work stoppage also fizzled. So the opposition tried another tactic - opposing a new law aimed at stopping widespread money-laundering. Here they got more traction, claiming that some provisions of the law increased the surveillance and subpoena powers of the state and were an infringement on citizen rights. After several days of blockades, marches, and clashes, the government was forced to retreat, giving the right a symbolic victory. And, while a number of military officials and even the ex-(de facto) president Jeanine Añez are in jail awaiting trial, the government has been unwilling or unable to go after one of the main coup protagonists: Luís Fernando Camacho. After being at the forefront of the effort to topple Evo Morales in 2019 - and even bragging that his father had paid the police to mutiny - Camacho returned to his regional stronghold of Santa Cruz to participate in local elections as a gubernatorial candidate. In March of 2021 he was elected governor. Though his popularity is limited to that eastern region, the national government has not moved to detain him for his role in the coup. This is a tacit recognition of government weakness, acknowledging that Arce's administration does not quite have the power to withstand the reaction that such a move might provoke.

So, while numerically the MAS and Arce enjoy the support of a popular majority, with much of this backing in the rural areas, in the cities and in the media the situation looks more like a polarized stalemate. As Bolivian analyst Fernando Molina recently wrote, it is not altogether clear whether or not the government will be able to successfully prosecute those it has jailed. For various charges of corruption during the coup regime, the case is a little easier. In fact, the coup government's former Minister of Government, Arturo Molina, is sitting in a Miami jail cell right now, charged by US authorities for his own money-laundering carried out while in office. Yet for those charged with participating in the coup, things are more complicated. To prosecute the ex-president Jeanine Añez, the government needs a 2/3 majority vote in Congress, a vote it does not have. With the details of abuses of the coup regime now documented by the report of the GIEI, the report did not weigh in on the coup vs. fraud debate, leaving the narrative largely in the hands of a divided public.

Even so, Arce maintains widespread popularity in Bolivia and a right-wing return is not imminent. Yet there are still a range of uncertainties and challenges ahead. The first is the resurgence of the pandemic, with growing rates of infection despite the vaccination efforts. The second is economic. After a dismal economic year in 2020, Bolivia's growth rate has rebounded and is projected at 5.1% for 2021, the average for South America. But high levels of revenue from natural gas exports have dropped off. In the period since his first election in 2006, gas revenues allowed Evo Morales to redistribute wealth and increase public spending, both of which had positive effects on the broader economy. But in 2014 gas revenues started a precipitous decline. National, regional and municipal governments, all of which had shared in the largesse, now face deep cutbacks. The possibility of the

return of a gas boom is small. Many observers and Bolivians alike are now turning their attention to lithium. Bolivia's large lithium deposits, situated primarily in the department of Potosí, may indeed promise some future bonanza. Yet the department of Potosí, not coincidentally, has also been a thorn in the side of the national government. One of its leaders, Marco Pumari, was the sidekick of Camacho during the 2019 putsch. While Camacho remains free, Pumari has now been jailed. National and regional tensions, which have long characterized the relationship with Santa Cruz, are also simmering around the issue of lithium and Potosí. Arce's government not only has to grapple with international jockeying for rights to develop Bolivia's lithium deposits but also with domestic struggles tied to the management of whatever wealth those deposits might generate.

Even with all of these challenges, the scenario in Bolivia is much better than it might have been, and the wider trajectory of Latin America seems promising as well. In Bolivia, the right-wing does not have the mobilizing power of a Trump or a Bolsonaro (as in Brazil). While it is hard to say what events might unsettle the Arce government, for the moment the situation is much better than it would have been with a prolonged coup regime or with the return of the old guard neoliberal political parties. In Latin America as well, things are taking a modest turn for the better. Along with the recent overwhelming victory by leftist Gabriel Boric in Chile, Xiomara Castro, a democratic socialist, has been elected to the presidency in the US' perennial lapdog, Honduras. Setting aside the travails of Nicaragua and Venezuela - complicated in their own right - the re-election of Lula da Silva in Brazil (absent a military coup) will also probably happen in 2022. With the three largest economies in South America - Argentina, Brazil, and Chile - all neighbors of Bolivia, and all under left-leaning governments, Bolivia's historic process of change looks to have several more years to work on its unfinished business - the deeper social and economic decolonization and democratization of the state. Things could be worse.