

# Bolivia: Mass upheavals topple US-backed president

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Following a mass revolt that paralyzed the country and the deaths of at least 86 people shot down by security forces, Bolivia's US-backed president, Gonzalo Sanchez de Lozada, was forced to resign last Friday and flee to exile in the United States.

Sanchez de Lozada was replaced by Carlos Mesa, his vice-president, who withdrew his support from the former government after massacres of unarmed protesters had brought Bolivia to the brink of revolution. Mesa announced the formation of a new cabinet of "technocrats," which he cast as a government of national unity.

In reality, the new president represents the same privileged social layer as his predecessor, whom he had supported until it became evident that the government faced a full-scale insurrection. The millionaire owner of a Bolivian television network, Mesa, like Sanchez de Lozada, is a member of the MNR, or Revolutionary Nationalist Movement. This right-wing party has ruled in a series of Bolivian coalition governments that have implemented economic austerity and privatization plans dictated by Washington and the International Monetary Fund since the 1980s.

During his first term in office—1993-1997—Sanchez de Lozada sharply accelerated the privatization of the state sector, particularly with the denationalization of the country's petroleum industry. His policies were proclaimed a success based on figures showing increased investment and economic growth that stemmed almost entirely from the auctioning off of the country's resources and essential services, including telephone and railroads, at bargain prices. Meanwhile, unemployment and social misery grew far faster than investment.

Mesa, like the former president, has been a strong proponent of privatization in general and, in particular of the proposal to build a \$5 billion pipeline to export Bolivia's natural gas reserves to the US and Mexico via a port in Chile. Critics of the deal charge that it will yield super-profits for energy transnationals and enrich a small group of local businessmen, while robbing Bolivia of its most valuable natural resource.

Mass opposition to the proposal and to the privatization of Bolivia's energy resources drew masses of peasants, urban poor and workers into struggle against the government. The issue of Bolivia's natural gas became a focal point for unleashing pent-up rage over the immense poverty and social inequality that have deepened uninterrupted for the past two decades.

The roots of the revolt go far deeper in the historic memory of the Bolivian people, who have from the days of Spanish colonialism seen the uninterrupted looting of the country's resources—silver, tin, oil and now gas—by foreign capitalism, combined with the brutal oppression of the miners, peasants and other working people.

An attempt to drown the mass protests in blood—apparently coordinated by US military officers operating out of both the US Embassy and the Bolivian Defense Ministry—backfired. The army's massacre of peasants staging a protests on the highway in the region of Warisata and then its gunning down of scores of workers and poor in the sprawling shantytown city of El Alto, an industrial suburb of La Paz, provoked outrage throughout the country, leading to an expansion of a general strike and the blockading of roads that cut off the country's capital and other major cities.

On the day that Sanchez de Lozada resigned, columns of miners, armed with sticks of dynamite, and thousands of peasant farmers had poured into La Paz, joining the mass protests and street barricades that had already paralyzed the city.

The change at the top appeared to have been worked out in consultation with Washington. Among Mesa's first acts as the new president was to meet with US Ambassador David Greenlee, who formerly served as the CIA's chief of station in the volatile country.

In the midst of the rebellion, the US Embassy and the State Department in Washington had issued explicit threats of US retaliation if the mass movement succeeded in toppling the existing government. Greenlee told the Bolivian press, for example, that "in the case of a government arising out of pressure from the street, the international community will isolate Bolivia."

Now the aim of both the Bush administration and the local oligarchy is to gain a breathing space in which to defuse the social explosion in Bolivia and prepare for another political offensive against the masses. Mesa has repeated promises made by Sanchez de Lozada before his resignation to hold a popular referendum on the gas deal and to rewrite the country's energy law. He has also pledged to convene early elections. There was no indication, however, that any referendum would be binding, and no date has been set for electing a new president.

In the short term, the reshuffling at the top appeared to have the desired effect thanks to the conciliatory policy of the trade union and peasant leaders. Evo Morales, the former leader of the coca growers and a deputy of the opposition MAS, or Movement towards Socialism, had proposed Mesa's election to the presidency as a "constitutional solution" acceptable to Washington. "We will give a breathing space to President Carlos Mesa, a truce, so that he can organize himself and carry out his promises to the country," Morales declared.

The leader of the United Union Confederation of Peasant Workers of Bolivia, Felipe Quispe Huanca, dismissed Mesa's promises as lies, but the leader of the indigenous peasants said his organization would give the new president 90 days to carry out changes.

And, finally, the Confederation of Bolivian Workers, or COB,

announced that it was suspending its general strike, while the union federation's leader, Jaime Solares, went to the presidential palace to meet with Mesa and present a list of 20 demands. "We indicated that he will have support as long as he energetically fights against corruption," Solares said after the meeting.

Despite the climbdown by the existing workers' and peasants' organizations, Mesa exhibited no great confidence that his government will be able to contain a resurgence of revolutionary upheavals. "The abyss is still close at hand, and any mistake, any lack of perspective, any stinginess can push us over that abyss," he told members of his new cabinet Sunday.

The Bush administration immediately granted political asylum to Sanchez de Lozada, a multi-millionaire businessman known to Bolivians as "the gringo" because of his heavily accented Spanish, the product of his upbringing and education in the US.

In an interview with the *Miami Herald* Sanchez de Lozada lashed out at the mass movement that had overthrown him, declaring it a "conspiracy to create the first narco-trade union state in South America."

In Bolivia, the Human Rights Commission of the Chamber of Deputies announced that it intends to bring charges against Sanchez de Lozada, demanding that he be tried for the nearly 200 deaths that have resulted from acts of repression ordered by his government during barely 14 months in office.

In addition to the latest killings, the government unleashed the military against mass protests that broke out against an IMF-mandated increase in income taxes and other austerity measures last February. Known in Bolivia as "black February," the protests turned exceptionally bloody after police went on strike and were shot down by troops. At least 33 people were killed during the protests. The demands for the removal and trial of Sanchez de Lozada began after the February massacre.

Mesa made it clear that he has no intention of seeking Sanchez de Lozada's extradition for crimes in which he himself was complicit. At the same time, he announced that there would be no changes made in the command of either the military or the police.

The US Southern Command in Miami, meanwhile, confirmed Friday that it was sending a "security team" of military advisors to Bolivia. A spokesman said that the team would "perform a technical assessment of the situation down there," and advise the US Embassy and the US Military Group in the country.

The Bush administration is determined to prevent the Bolivian events from spinning out of control for fear that the defiance of the economic policies demanded by the IMF and the US-based multinationals could spread throughout the continent.

Bolivia is South America's most impoverished country and has faced the harshest impact of the "free market" policies of privatization and draconian cutbacks in social spending that have been imposed throughout the region. While the country's official unemployment rate stands at 12 percent, according to Bolivia's Center for the Study of Labor and Agricultural Development, fully 45 percent of the economically active population lacks any steady work, forced to survive on part-time jobs or in the so-called informal sector.

The United Nations World Food Program places Bolivia last in South America in terms of nutrition indices, despite the fact that the country's agricultural sector is easily capable of supporting the population of 8.8 million people. According to the UN agency, at least two million Bolivians are facing chronic hunger, while only 12 percent of Bolivian families are able to consume the minimum daily

requirement of calories.

A report by a Bolivia research organization, the Unit for Analysis of Economic and Social Policy, found that the number of people living in poverty in the country had risen from 5,076,000 in 1995 to 5,448,000 in 2001.

While conditions in Bolivia are among the most extreme, they are by no means unique. A recent World Bank report on inequality in Latin America, for example, showed that the richest tenth of the people in the region earn 48 percent of total income, while the poorest tenth earn only 1.6 percent.

According to a report issued by the Economic Commission for Latin America and the Caribbean at the end of August, the number of Latin Americans living in poverty rose to 220 million (43.4 percent) last year, with 95 million (18.8 percent) described as indigent. "Progress toward overcoming poverty ground to a halt in the past five years," the report said, while warning that current low economic growth rates ensure that conditions will only worsen. Last month, the IMF lowered its projection for regional economic growth for this year to 1.1 percent.

There are growing indications that the social revolt that erupted in Bolivia could spread as the cumulative effects of decades of economic austerity programs and the looting of the region's wealth by the international banks and transnational corporations become ever more intolerable.

In Ecuador, the government of Lucio Gutierrez is facing mass protests as it attempts to impose an IMF-dictated austerity plan that demands sweeping attacks on labor rights, social conditions and pensions. Public employees have staged repeated protests, while organizations representing indigenous peasants that previously supported Gutierrez have denounced his government's policies. Economic growth has continued to decline in Ecuador, while the country's debt has risen to an amount equal to nearly 42 percent of its annual gross domestic product.

Meanwhile, in Honduras, another of Latin America's poorest countries, thousands of people blockaded highways last week in protests over economic measures proposed by the government as part of its negotiations with the IMF. The Honduran government is planning to privatize the country's water supply, while slashing salaries for some 100,000 public sector workers. Fully 80 percent of the Honduran population lives in poverty.

As the Bolivian events have already demonstrated, Washington is prepared to support and carry out on its own the most brutal forms of repression to defend US economic hegemony over the region and control over its energy supplies and other strategic resources. Despite this repression, the vast social crisis that is gripping the continent is bringing US imperialism face-to-face with a revolutionary explosion in what it has long regarded as its "own backyard."



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