

# Why the Spanish State of Autonomies could be the right Example for the Bolivian State

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## **Abstract**

The study's aim is to analyze and investigate the characteristics of the regions demanding autonomy in Eastern Bolivia. Therefore the study takes a look at the Spanish political model, which could serve in a comparing and evaluating framework. The development of processes of autonomy has been part of Spanish history, especially in the regions of Catalonia and the Basque Country, which has contributed to the establishment of a stable democracy and a flourishing economy in Spain. Firstly, the study compares both autonomous regions in both countries out of a historical way. On the one hand, the reader will discover differences in the nationalist regions and on the other hand important similar developments in both countries. Finally, the study concludes that the Spanish State of Autonomies and its 1978 Constitution, established after Franco's death, could serve as the right example for the Bolivian State. Essential in the article is the search for a consensus over the different characteristics which exist between the two ideologies which are the main reason why the Bolivian State could be described as a weak State.

## **Resumen**

El objetivo del estudio es analizar e indagar sobre las características de las autonomías en las regiones del este de Bolivia. Para tal efecto se analiza el modelo político español, el cual podría servir como un marco de comparación y evaluación. En España el desarrollo de los procesos autonómicos ha sido parte de su historia, especialmente en las regiones de Cataluña y el País Vasco. Cabe resaltar que hoy en día España es una democracia estable con una economía dinámica. El estudio se enfoca en primera instancia hacia un estudio histórico y comparativo

de las regiones autonómicas de ambos países. Por un lado el lector puede encontrar diferencias regionales nacionalistas y por el otro importantes similitudes en el desarrollo de ambos países. El estudio concluye definiendo el motivo por el cual la España Autonómica y su Constitución de 1978, establecida después de la muerte de Franco, constituye un buen marco de comparación para el Estado Boliviano. El eje articulador del artículo es la búsqueda de un consenso sobre los criterios divergentes que existen entre las dos ideologías que provocan un Estado débil en Bolivia.

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## 1. Introduction

When Spanish conquistador Francisco Pizarro started his conquest over the Inca empire in 1532 he wouldn't have thought that five centuries later an indigenous leader would rule over his descendants. Doubtful, as well, is if he would have realised what kind of turbulent future the land he conquered would face in the next centuries. One of the countries, which arose out of the land, Pizarro set foot on in the sixteenth century is now called Bolivia. It seems that, ever since independence in 1825, Bolivia has been in political turmoil. Today, Bolivia is a divided country, divided between ideologies. One of those ideologies makes regions demand autonomy. In Europe, Spain is one of the countries, which had a turbulent history with nationalist/regionalist regions, namely Catalonia and the Basque Country. Nevertheless, since the death of Franco in 1975 Spain has become a stable democracy. Reason for this is the establishment of the Spanish State of Autonomies and its 1978 Constitution. In this working paper I will argue why I believe Spain could function as a good example in solving one of the problems contemporary Bolivia has to deal with. The working paper is written out of a historical view to provide a better understanding of both countries.

### 1.1. Catalonia and the Basque Country

In this section I will give an overview of the history of nationalism in the Basque Country and Catalonia. On the one hand, there is a similarity in the emerge of Catalan and Basque nationalism, both emerged in the same phases of time. On the other hand one can see crucial differences in the creation of nationalistic feelings and the way people expressing them. Before

comparing both kind of nationalism it is useful to understand what historical features made Catalan and Basque nationalism rise. In the second part of this section I will take a closer look to contemporary nationalism in Spain and how the 'Estado de las Autonomías' works.

## 1.2. History of Catalan nationalism before the Civil War

The history of Catalonia as a part of Spain starts at the beginning of the eighteenth century. In avoiding a possible unification of Spain and France under the House of Bourbon, and, thereby disturbing the European balance of power, the European powers fought the War of the Spanish Succession. After the victory of the new Spanish Bourbon dynasty, Spain emerged as a single united polity. For the first time in history Catalonia was fully integrated into the broader affairs of Spain. The beginning of the nineteenth century brought Napoleon rule in a big part of Europe, as well as in Spain. Until the defeat of Napoleon in 1814 Catalans were as patriotic as other parts of Spain (Payne, 1971). In the period after the Third Carlist War Catalan nationalism starts to develop. During the period of 1833 to 1876 three civil wars were fought in Spain, between the Carlists and the Liberals, later Federalists. After the death of Ferdinand VII, his wife María Christina became queen regent on behalf of Ferdinand's and María Christina's infant child Isabella II. The Carlists supported Carlos, later Carlos V, brother of Ferdinand and pretender of the crown. The fighting parties ideologies were Spanish traditionalism versus liberalism. The first sign of a rising Catalan self-consciousness was the first publication of a regular newspaper in Catalan ever, 'El Diari Català' founded by the father of Catalan nationalism, Valentí Almirall (Payne, 1971).

The publication was within the Catalan 'modernisme' movement, which most well-known representer was Gaudí. "This replaced the nostalgic focus on Catalonia's traditional language and culture with a celebration of modernity, progress and cosmopolitanism" (Edles, 1999). Catalan modernisme was a reaction to "the rebirth of Catalan vernacular literature, commonly referred to as the 'renaixença'. Its roots may be traced to the 1830s and were part of the general awakening of Romantic cultural nationalism and regionalism found in widely scattered parts of Europe" (Payne, 1971). Catalan modernisme was also witness of the establishment of the first specific ideologue of Catalanism, after the formation of a fusion party named 'Unió Catalanista' (Payne, 1971). Leader of the first, to Catalan ideology linked, party was Enric Prat de la Riba. "As a conservative Catholic he combined an emphasis on industrial progress and legalism with an expressly patriarchal model of social organization" (Edles, 1999). Moreover, "he defined Spain as the political state and Catalonia as the true fatherland of Catalans. (...)

Catalan nationalism was not separatist but demanded a regional parliament and government and a fully autonomous regional administrative system” (Payne, 1991).

After imperial losses throughout the nineteenth century, as a consequence of the achievement of independency by the Latin American countries, Spain lost its last colonies, Cuba, Costa Rica and the Philippines, to the United States, in the, for the Spanish state, disastrous year 1898.

The state’s low prestige after the loss (...) and its inability to facilitate economic development throughout Spain, its inability to guarantee order and to promote industrial development in Catalonia, and its threat to Catalan cultural and juridical institutions were the major reasons that nationalist leaders gave to justify their nationalism (Medrano, 1994).

The relation between Catalonia and the Spanish state depended heavily on economic conditions through history. The first example of this were the consequences for both Spain and Catalonia after the achievement of independence by the Latin American colonies. It worsened the state of Spain’s public finances. Solution brought by the government were centralization measures and these policies asked most of the two particular and economically most developed parts of the state: Catalonia and the Basque Country. In his article “Patterns of Development and Nationalism: Basque and Catalan Nationalism before the Spanish Civil War”, Juan Diez Medrano gives a helpful survey of how Catalonia, together with the Basque Country, became economically the leading part of Spain. Catalonia’s economic development was the product of on the one hand its agrarian development and on the other its full integration into the Spanish state after the War of Spanish Succession which I mentioned earlier. By the half on the nineteenth century, the textile industry was the backbone of Catalan industrialization. However, the growth potential of the textile sector was limited because of the small size of the Spanish market and high production costs. “Consequently, the Catalan capitalist sector came to depend on protectionist legislation enacted by the Spanish government” (Medrano, 1994). This economic dependence could provide as an explanation why the first political Catalan ideology defined Catalan nationalism not as separatist but demanded autonomy.

At the beginning of the twentieth century the Lliga Regionalista was founded, a fusion party of the Centre Nacional Català and Unió Regionalista. This party would dominate Catalan politics from this period until the Civil War. Moreover, “in the first quarter of the twentieth century Catalonia occupied the forefront of Spanish politics” (Payne, 1971). Spanish

society, after the debacle of 1898, demanded for 'Regeneration.' This wish was represented by the 'Generation of '98', a group of writers and philosophers opposing the Restoration of the monarchy and who had a traditionalist view. Out of 'Regenerationism' emerged a reformist Conservative government who made provincial decentralization one of its major goals. This gave a major boost to Catalan nationalism. Especially after the establishment of the Catalan Mancomunitat in 1914, which was a unification of provincial administration of the four Catalan provinces.

Spain was not involved in the Second World War. However, the end of the war affected Spain almost as much as the other European countries economically, while the beginning of the War had given an economic impetus to Catalonia. Because of this economic growth a lot of immigrant workers moved to, especially, Barcelona in search of work. Most of the immigrants were illiterate and had to work in bad conditions. Demanding better terms of employment the biggest Spanish labour syndicate launched a period of enourmos strikes, "soon degenerating in a terrorist class struggle that lasted for four years and cut the ground from under the feet of Catalanism in Catalonia itself. The result was an almost permanent state of martial law and increasing reliance by Catalan economic interest on the police authority of the Spanish state" (Payne, 1971). Laura Desfor Edles even speaks of "two wars that were going on in Catalonia in the first two decades of the twentieth century: nationalist struggle against the government in Madrid and a class struggle which pitted rich against poor" (Edles, 1999).

Anarchism in Barcelona turned out to be an important reason for Primo de Rivera taking power in 1923. The Lliga Regionalista lost its power over Catalan politics during the 'state of anarchism' to left and republican groups, therefore it collaborated with Primo de Rivera when he overthrew the parliamentary regime and set up a military dictatorship. Besides the Lliga, the middle and upper class Catalans saw him as the leader who could restore order and stop the anarchistic chaos. It is doubtful if this was a wise thing to do while Primo de Rivera "a week after he seized power began to suppress all manifestations of Catalanism" (Edles, 1999). Ultimately, he dissolved the Catalan Mancomunitat in 1924. The dictatorship meant a recoil for Catalan nationalism. The Lliga Regionalista did not oppose Primo de Rivera's rule, progressive nationalistic parties did. Consequence was, that, when democratic rule was restored, leftist groups, collaborated with progressive nationalists. Primo de Rivera's dictatorship ended in 1930, after the military made clear they did not longer support him.

The period between April 1931 and April 1939 is known as the Second Republic. After Primo de Rivera's resignation municipal elections were held. In Catalonia, Esquerra

Republicana emerged as the undisputable victor. Their program clearly reflected by nationalist and reformist goals.

One day after the elections, Maciá, the president of Esquerra, proclaimed the Catalan Republic, but soon was convinced by Spanish republican leaders to settle for a less ambitious compromise that kept Catalonia a part of Spain. This compromise consisted of the symbolic re-establishment of the Generalitat, a Catalan medieval governing body, while negotiations took place for the approval of a Statute of Autonomy for Catalonia (Medrano,1994).

The Statute was finally obtained in 1932, it “provided for a fully autonomous government with an executive, parliament, and police powers of its own, exercising administrative sovereignty over nearly all internal affairs” (Payne,1971). The Second Republic can be characterised by two marks. Firstly, the Republic showed a liberal and very human face in international relations. It was the opposite of authoritarianism and “was always on the side of the peaceful resolution of disputes and of the rights of smaller and weaker countries” (Payne,1991). Secondly, the Republic responded to the Catalan demand for more autonomy. It knew that without recognizing Catalanist demands achieving a stable state would be a difficult job.

“The difference between Basque and Catalan nationalists is that Basques want to leave Spain, and Catalans want to run it” (Edles,1999).

### **1.3. History of Basque nationalism before the Civil War**

There are two reasons why the Basque Country can be considered as a special part of Spain. Special, because of the origin of the Basque people and special because of its position within the Spanish state. Firstly, according to linguistic scientists, Basque is the oldest language of Europe. It is not part of the dominant Indo-European or Finno-Ugric language families. Until now no scholar was able to find a relationship between Basque and another European language. Some suspected that Basque could be related to Etruscan, others tried to link it to languages in the Caucasus, for example Georgian. Reason for this authenticity is the isolated location of the Basque Country in the Pyrenees. Other ‘authentic’ languages such as in, Hungary, some Indonesian and Caucasian areas cannot be related to other language families neither, also because of its isolated locations.

The second reason why the Basque people have been a special case during the history of the Spanish state was the policy of the Basque ‘fueros.’ “The three Basque provinces of Vizcaya, Guipuzcoa and Alava had been formally incorporated into the kingdom of Castile during the thirteenth and fourteenth centuries on the basis of regional fueros” (Payne,1971). Fueros were local laws and privileges and gave the Basque people the right to organize from within the community, or in other words, political autonomous institutions. This meant, for example, that Basques could decide the quotas of their own taxes. The bombing of Guernica, after Franco’s deal with Hitler, on 26 April 1937, therefore was not only a violation of human rights, “it was the first total destruction of an undefended civilian target by aerial bombardment ever” (Edles,1999). Moreover it was a symbolic destruction of everything that was left of Basque autonomy at that time. The tree of Guernica symbolized the Basque fueros, while it was the place to meet for the heads of the Basque villages to discuss Basque politics, it symbolised “liberty for all the Basque peoples” (Edles,1999).

Together with the rural areas of Catalonia, the Basque Country had been the stronghold of Carlism during the three Carlist wars. The year 1876, with the end of the third Carlist war is a crucial date in the development of Basque nationalism for two reasons: on the one hand, the few national leaders of that time favoured traditionalism and conservatism with an important role for the Catholic Church. They were what Carlism stood for, anti-liberal, and, thus conservative. On the other hand meant the loss of the war, the loss of the fueros. The new government made an agreement with the Basques to change the fueros for the so-called ‘Conciertos Económicos.’ Although the conciertos económicos were not a bad deal comparing taxes in other parts of Spain, it was a sign that the Basque financial political rights were no longer untouchable.

“In 1893, the Spanish government tried to raise Basque tax quotas, which were still set at the very modest levels of 1841” (Payne,1971). The reaction of the Basque people was a violent demonstration and in the same year the first Basque nationalist organization was founded. This organisation later turned into the ‘Partido Nacionalista Vasco’ (PNV). The PNV still is today’s leading nationalist Basque party. “In contrast to Catalan nationalism, which emerged in the context of a preexisting cultural and linguistic revival, Basque nationalism emerged almost singlehandedly through the efforts of Sabino de Arana y Goiri, who created the very concept of the Basque nation” (Eddles,1999). Arana started to study Basque language and history when he lived in Barcelona, inspired by emerging Catalan nationalism. Back in the Basque Country he wrote the first book on Basque grammar ever.

Arana's nationalism, which dominated Basque nationalist discourse until the Spanish Civil War, was a defensive reaction against what he saw as the harmful influence of liberalism in Basque society. Through his articles one can see clearly delineated a political program essentially informed by religious concerns. Arana presented his struggle for Basque independence as a struggle for the religious salvation of the Basque race through complete isolation from other peoples, especially Spaniards. In his view, language was as much a shield against change as political independence. Similarly, Arana hated Spanish immigrants because they were important agents of change in the traditions and culture of the Basque country, they represented more secular views than the ones prevailing among the Basque population, and they generally supported the Socialist party, instead of adhering to a 'religiously founded' system of paternalistic relations between employer and worker' (Medrano, 1994).

Although he was inspired by Catalan nationalism, "Arana publicly denounced what he termed the 'catalanist error' of seeking autonomy and co-operation within the Spanish framework, insisting that the Basque movement demanded total separation" (Payne, 1991). In short, his view was very religious, racial based, he was more concerned of changes introduced in the Basque Country than economic factors and he was a separatist. The PNV, with Arana as its representer, first entered electoral politics in Spain's disastrous year of 1898.

Still, Basque nationalism was not emerging with the same speed as Catalan nationalism, because of economic reasons. As mentioned before, the few, Basque nationalist leaders before Arana, were, like Arana, very conservative. This in contrast to the Basque capitalist elite who supported liberalism in the Carlist wars and were not nationalistic. The two different ideologic views stood for the economic differences in Basque society. In "Patterns of Development and Nationalism: Basque and Catalan Nationalism before the Spanish Civil War", Juan Diez Medrano reproduces the development of the Basque economy since 1800. "In 1800, the Basque Country was one of the poorest regions of Spain (...) Between 1800 and 1860 the Basque Country's GDP increased faster than that of any other region except for Madrid and Catalonia", because of iron production and the privatization of mining.

Unlike development in Catalonia (...) development in the Basque Country was uneven. (...) Development in commerce and industry took place despite crises in the agricultural sector and even at the expense of agriculture (...) The discovery in 1856 of the Bessemer process for the production of steel by the 'direct method' revolutionized the iron industry (...) this resulted in a spectacular rise in iron ore exports. (...) This industry, like Catalan industry, needed protection

because lack of a cheap source of coal made Basque industrial products too expensive to compete in foreign markets. (...) The negative side of this spectacular industrial revolution was that it had highly dislocating effects on Basque society and benefitted only a very small group within the commercial and landowning elites (Medrano,1994).

With an upper economic class satisfied with Spanish government policies and a part of the lower economic class demanding separatism, Basque nationalism made little progress until the dictatorship of Primo de Rivera. Beside economic differences another weakness of that time was the narrowness of Basque culture. Only a few people spoke 'Euskara', or the Basque language, combined with the highly traditionalist nature of the nationalists. Where the Catalan nationalists achieved to get the Catalan Statute of Autonomy approved in 1923, the Basques did not. On the one hand this was a reaffirmation of the relative weakness of Basque nationalism comparing to Catalan nationalism. On the other hand it was a stimulation for the Basques to get their own Statute of Autonomy. This could be a reason why Basque nationalism became stronger during the Second Republic. In the first Republican municipal elections the PNV won a majority of seats. Another reason for the growing popularity of the PNV can be found in increased economic independence in the rural areas, "which freed them from the political hold of small Carlist landlords" (Medrano,1994). Basque nationalists got the Statute of Autonomy finally approved in October 1936. Unfortunately for them, and for many more Spaniards, the Spanish Civil War had already begun.

#### **1.4. The dialectic process of the Franco regime**

Catalan and Basque nationalism could relatively flourish well during the Second Republic. Three important powers emerged to the nationalist reaction: "the revival of neo-traditionalism, the creation of a new radical right authoritarianism and the generic fascist nationalism of Falange" (Payne,1991). A new right was created with two main characteristics: anti-regionalistic, because this would undermine the unity of the Spanish state, and authoritarian, against the liberal and, in the right its view, weak policies of the Second Republic. During the Spanish Civil War this radical right became known as the Nationalists, supported by the broadest part of the Catholic Church, the Carlist groups, Falange Española and other neo-traditionalist groups. Falange Española was founded by the son of Spain's old dictator Primo de Rivera and had a lot of characteristics of fascism. The war started after a 'coup d'état' by a group of generals supported by the right powers. The Republican government could stop the

first coup. However, the insurrection of general Franco in July of 1936 truly meant war. The insurrection came against a background of several months of social unrest. When the coup began the government was paralyzed because it had to choose between the threats of workers who were arming themselves in the major cities, and, Franco. The Nationalist were supported by the, then, Fascist state of Italy, Nazi-Germany and neighbour Portugal. The Republicans achieved support from the Soviet Union and Mexico. This gave Franco's Nationalist three reasons to fight for. Firstly, there was the threat of the Spanish state falling apart because of the increased amount of freedom of movement for the nationalist movements in the Basque Country and Catalonia. Secondly, the months before the start of the war were of great social unrest, strikes, battles between civilians and the police. Or, to put it in other words, an anarchistic atmosphere. Thirdly, because the Soviet Union supported the Republicans, Spain could turn into a communist state in the case the Republicans would win the Civil War. By his supporters Franco was considered as the one who saved Spain from falling apart, a state of anarchism or of becoming a communist state.

On 1 April 1939 Franco overthrew the Republican government. After the War there were harsh reprisals against Franco's former enemies. "Historians continue to argue over the full scale of Franco's repressive machinery. Lower estimates talk of 30,000 opponents shot by Franco's firing squads after the civil war, with a further 50,000 to 100,000 executed during the war"<sup>1</sup>.

The impact of Franco's victory was marked in both Catalonia and the Basque Country, entailing not only the suppression of all autonomous political institutions and laws but the prohibition of the Basque and Catalan languages and cultures as well as symbols of sub-state identity such as flags and anthems (Guibernau,2000).

Before he won the Civil War in 1939, Franco abolished Catalonia's Statute of Autonomy by a decree of 5 April 1938. It lasted more than ten years before Catalan and Basque resistance grew against the dictatorship of Franco. In the 1950s Franco introduced capitalism which opened up Spain to the symbols, norms, and institutions of modern, Western European democracy. "Over the same course of time, the liberalization of the Church lay people to veer away from the mentality of the Cruzada and toward the spirit of moderation, reconciliation, and political and religious tolerance" (Edles,1999). One can conclude that in the Franco period, Catalan nationalism was less violent than Basque nationalism. A reason could be

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<sup>1</sup> <http://www.guardian.co.uk/world/2003/dec/01/spain.gilestremlett/print> <23-03-2009>

that during history Catalan politics has participated more in Spanish politics than its Basque equivalent. Therefore Catalan nationalism was not based on violence but on “an impressive underground network of civic and cultural associations developed in the 1950s and thrived in the 1960s and early 1970s as the dictatorship was weakening” (Lecours,2001).

Basque nationalism was different. Its founding father, Arana,

“promoted the idea of Euskadi as a country occupied by a foreign power. The Francoist regime, with its obsession to root out all symbols of Basque culture, merely gave plausibility to Arana’s theory of alien occupation. Beside that, ‘the profound social and economic transformations which affected the Basque Country in the 1950s brought an uncontrolled industrial expansion around the main Basque cities and a large inflow of Castilian speaking immigrants from other parts of Spain. The Castilian language is often referred to as Spanish, a fact that reflects the dominance over the other parts of Spain. Meanwhile, both the Basque language and its culture suffered erosion. This encouraged both the rejection of Castilian culture and hostility to immigrants.’ (Guibernau,2000) Against this background ATA was founded in 1952, which changed its name to ETA in 1959. ATA ‘was discarded when the founders discovered that in one Basque dialect, ata means duck’ (Shepard, 2000).

In the begin years of ETA, parts of the Basque and Spanish public could understand ETA’s actions. ETA was seen as a liberation movement trying to free the Basque people from a country that would not allow it to express its culture or speak its own language, therefore, patriotic action instead of terrorism as its seen today. In the 1960s ETA was “composed of an uncomfortable mix of nationalists and socialists, students and labor activists, and rural Catholic youth” (Eddles, 1999). The first ETA killings found place in 1968, at a checkpoint a civil guard was shot. Before that time it contributed to the cultural and linguistic movement of the 1960s which had the standarize of Euskara as a consequence. ETA’s most important killing in its history took place in 1973. In this year it blew up the car of Franco’s expected successor and prime minister at that time, Carrero Blanco. “The killing of Blanco was part of ETA’s action-repression spiral theory. According to this theory attacks on the Francoist state would lead to a blatant, universal repression, which would lead to greater popular anger, which would spiral into mass rebellion and eventually civil war and Basque secession” (Eddles, 1999). In 1974 ETA showed for the first time more characteristics of a terrorist organisation than of a liberation movement. In Madrid it killed twelve persons in a brutal café bombing. The bombing was a reason for part of the ETA members to split off from the café

attackers. ETA split into a political-military and a military faction. The military faction declared itself a Marxist organisation.

It may seem that the whole Basque Country supported the strategies of the nationalists. However, this was not the case. A smart move of Franco, to frustrate the nationalisation movement was to allow the, during history close to the Basque Country related, provinces of Alava and Navarra to retain certain special privileges in recognition for their support during the war. Moreover he appointed loyal Basque elites to important political positions. Within Catalonia, one could also see a division between supporters and opponents of Franco. The part of Catalan society which strived for the preservation of Catalan culture and language was supported by sectors of the Catholic Church and universities throughout Catalonia (Guibernau,2000). Some parts of the Catholic Church supported Franco during the Civil War and his regime. However, in Catalonia

some sectors of the Catalan Church assumed a crucial role by preaching and teaching religion in Catalan and employing it as an instrument of culture and communication. (...) The University Front of Catalonia combined people from different backgrounds. It advocated the reconstruction of Catalonia and produced a critical account of pre-war Catalan politics (Guibernau,2000).

Franco's policies of undermining Catalan and Basque culture can be seen as a school example of a Hegelian dialectical process. The Franco regime used a violent strategy to suppress nationalistic feelings in Catalonia and the Basque Country. His intention was to exterminate those feelings. At the time of his death in 1975, Catalan, and in a bigger amount, Basque nationalistic feelings were more intense than ever, and we can conclude that Franco's policies were counterproductive. The most important reason for this is that during the dictatorship nationalism became a synonym for democracy and therefore found support at a wider public.

The violence deployed by Franco against cultural distinctiveness gave these identities new credibility by conflating the ideas of Spanish identity and authoritarianism, nationalism/regionalism became a form of resistance policies intertwined with human rights, democracy and progressive activism. This conceptual connection was also a practical one as pro-democracy and human rights groups in Catalonia and the Basque provinces tended to be nationalist and vice versa. Consequently, repression brought not only claims for democratisation but also demands for cultural expression, symbolic recognition of regional identities/communities and political autonomy that had found both new legitimacy and networks (Lecours,2001).

## 1.5. Transition to democracy

After the death of Franco, the lack of a political leader forced Spanish society to establish a new form of government. At the end of the Franco regime nationalism in three regions of Spanish society, Catalonia, the Basque Country and Galicia, stood for democracy. One thing was clear for the majority of the Spaniards: Civil War must never be repeated again. Because of this sentiment 'consensus' was almost something sacred. But, finding consensus in a former centralist country, in which some parts did not want to be fully incorporated in the country was not an easy task. This was Franco's legacy to the founders of the new Spanish Constitution formed in 1978.

First sign of the goodwill of Spanish society in achieving a form of consensus between the regions that considered themselves as nations within the Spanish state and the government was the recovery of the Catalan State of Autonomy in 1977. The recovery was a consequence of so-called 'soldarity actions' in Catalonia.

A solidarity action is an action that is usually instilled by a small elite but whose aim is to attain mass mobilization. The objective is to show the opposition its strenght by focusing upon a particular demand and presenting it as an undeniable due to the massive support it receives (Guibernau, 2000)

In the first year of transition there were many solidarity actions in Spain in the form of mass demonstrations, a good example of such an action was a mass demonstration in Barcelona of one million people demanding the recovery of the Catalan Statute of Autonomy, abolished by Franco at the end of the Civil War.

In 1978 first democratic elections took place, "the outcome was that for the first time, the Constitution was not the consequence of the exclusive product of one dominant political tendency" (Guibernau, 2000b). The Constitution makes a difference between three 'historical nationalities' and the other, fourteen, autonomous regions. The historical nationalities were immediately allowed to practice a degree of 'full autonomy', the other regions had to undergo a five-year period of 'restricted autonomy' before doing so. But, once full autonomy has been achieved, the Constitution makes no distinction between the communities. The slogan of the one's formulating the Constitution was 'café para todos', in order to approach the different sentiments in Spain, and creating the 'Estado de las Autonomías'. In this context Catalonia, the Basque Country and Galicia were referred to as historical nationalities. Beside nations, the

Spanish state is made up of regions and therefore has a pluri-ethnic composition. Important in the Constitution is Article 2 where the Constitution “recognizes and guarantees the right to autonomy of the nationalities and regions of which it is composed, and the solidarity amongst them” (Moreno, 1997).

In “Spain: Catalonia and the Basque Country”, Guibernau makes perfectly clear how the Spanish state of the Autonomies works: all communities are similarly structured: each has a regional legislative assembly consisting of a single chamber; deputies are elected on the basis of proportional representation, and the leader of the majority party or coalition usually assumes the Community presidency. The president heads a regional executive-ministers run administrative departments which, for the most part, though not in every case, follow the pattern of central government, depending on how much power is devolved to the respective autonomous community. In many respects the Autonomous Governments operate as states with regard to their developed competencies. The Catalan and Basque governments provide wide-ranging public services such as education, health service and local transport. They even control their own autonomous police force which coexists with the Spanish National Police and Guardia Civil. The powers reserved to the central government are as follows: exclusive jurisdiction over defence, the administration of justice, international relations and general economic planning.

The Constitution does not define Spain as a federalist state. Spain can be considered a special case because of its asymmetrical model, asymmetrical because some autonomies have more competencies than others. The pluri-ethnic and asymmetrical characteristics are the consequence of the atmosphere of consensus in the beginning of the transition period.

In fact, two different conceptions of Spain, which had traditionally confronted each other, were formulated. Subsequently, a middle way was negotiated and explicitly recognized by the Constitution: the idea of an indivisible and solely Spanish nation-state, and, a concept of Spain as an ensemble of diverse peoples, historic nations, and regions (Moreno, 1997)

The reason why the Constitution cannot be considered as ‘federal’ is because of the principle of ‘interterritorial solidarity’ and explains the necessity to guarantee the integration and interrelation of the Spanish nationalities and regions. “From a more mundane point of view, the principle refers to the transfer of funds from the richer autonomous communities to the poorer, with the aim of attaining a minimum level of basic services state-wide with a fair and adequate distribution of the financial burden” (Moreno, 1997). The principle is elaborated

in two articles of the Constitution: Article 130 explains that the Constitution's ultimate aim is obtaining the same standard of living for all Spaniards. Moreover, Article 138 tells us that the state should guarantee the effective application of the solidarity principle through seeking an economic balance among the regions (Moreno, 1997). Thus, the Spanish Constitution of 1978 provided on the one hand a lot of political freedom for 'historical nationalities' like Catalonia and the Basque Country. On the other hand it strived for a Spanish state for all, based on the principle of solidarity. What was the reaction of the different Spanish regions and nations in the first years after transition towards democracy?

The Basques weren't as happy with the Constitution as the Catalans were. In Catalonia more than ninety percent voted in favor of the Constitution in the referendum held over it. This was a higher percentage than in the rest of Spain. Although the Basque people agreed with the Constitution it was not with such an enthusiasm as the Catalans showed. Argument, for most Basque nationalists, was "that the new Constitution was ambiguous about Basque rights. The Basque Statute of Autonomy was, however, ratified by referendum" (Guibernau, 2000b) in 1979. Since the Constitution, the Basque Parliament has been in the hands of those who favor to create a separate Basque nation through peaceful means. There have been two ruling parties since Spain's transition to democracy: the PNV, which has a position in the middle.

It is viewed by the PP (one of the two biggest national parties, the other is the PSOE) as soft on ETA. At the same time it is scorned by Euskal Herritarok (the party's former name was Herri Batasuna), an independent party thought to be the political arm of ETA, as no better than the anti-independence PP (Shepard, 2002).

In the Franco period the ETA had a reason to exist, it thought it could liberate the Basque Country from a suppressing state, and therefore also had legitimacy to exist. In the transition period this legitimacy became weaker, after all, the Basque Country was part of a democratic country to which the Basque peoples gave its approval, through a referendum, to rule over them. Then there was the GAL case in the period 1983 to 1987 which gave ETA much of its legitimacy back. GAL stands for 'Grupo Antiterrorista de Liberación' and was a paramilitary group which worked in order of the Spanish department of Internal Affairs. The French part of the Basque Country had been a safehaven for ETA members for years,

there seemed to be an unspoken and uneasy pact. There would be no violence committed by the Basque nationalists in France, and French authorities would not arrest Basques who committed

terrorist crimes in Spain, or permit their extradition. That silent devil's bargain began to come apart during the second Mitterand presidency. After all, there was a follow socialist prime minister of Spain, Felipe Gonzalez (Shepard, 2002).

The activities of the GAL started with the kidnapping of a man named Segundo Marey in the French region of the Basque Country. Four years later the GAL had killed twenty-seven persons, of whom at least nine had no connections with ETA. Gonzalez never publicly admitted knowing about the existence of the GAL, neither he ever publicly distanced himself from the group.

The Spanish interior minister for the Gonzalez government during this period, Barrionuevo, the secretary of state for security, Vera, and the civil governor of Vizcaya, Sancristobal, were convicted in 1998 and sentenced to prison for ten years each for their illegal activities in connection with the Marey kidnapping (Shepard, 2002).

One can conclude that the violent section of the Basque nationalist movement became more radical and found another justification for its actions. The political and more peaceful section of Basque nationalism produced a critical change in Basque political discourse through the 'Pacto de Ajuria Enea.' The pact was signed by all the Basque parties beside Herri Batasuna (after its name change, later, Euskal Herritarok) and committed the parties to end terrorism. A reason for the pact could be the changing attitude of Basque public opinion considering Basque nationalism and the use of violence. A growing number of the Basque people thought of violence as a useless tool in achieving political success. A slogan supported by more and more Basques was and is "Nationalism, Yes- ETA, No" (Edles, 1999). This sense under the Basque people became stronger after the murder of Miguel Angel Blanco committed by ETA in 1997. Blanco was a local politician for the Partido Popular when he was kidnapped by ETA. ETA demanded a transfer of all imprisoned ETA members to Basque jails within forty-eight hours after the kidnapping, if not, ETA threatened to kill him. Hours before the ultimatum expired one of the biggest demonstrations in Spanish history took place demanding the freedom of Angel Blanco. ETA ignored the protesters call for Angel Blanco's freedom and shot him in the head after the ultimatum expired. This murder made a lot of Spaniards realise the meaninglessness of the ETA violence.

The reason why such a high percentage of Catalans voted 'yes' in the referendum held over the 1978 Constitution could be, that, the almost sacred notion of consensus arised in Catalonia. At the end of the Franco era and the beginning of the transition to democracy,

nationalism was no longer a sentiment of a small group, but rather a mass movement. During the last decade of the Franco regime, Catalan culture became popular again and contributed in closing the gap between the elites and the mass. Beside that, the Assembly of Catalonia played an important role in connecting Catalan nationalism with democracy. It supported political prisoners and exiles, had connections with human rights groups and played a big role in the coordination of the peoples fighting for democracy (Guibernau, 2000a). The renaissance of Catalan culture and the role of the Assembly made the solidarity actions possible which I mentioned before. Moreover, this shows a big difference between Catalan and Basque nationalism during the transition. In the case of the Basques, nationalism was a synonym for blood and violence. Blood and violence for a case not even the majority of the Basque people supported. In a way, one can conclude, that the Basques who were finally saved from the fear of the Franco dictatorship needed to fear another kind of violence: that of their own people, proclaiming to be fighting in favor of them. Catalan nationalism developed in a total different way. Catalonia had its own separatist group fighting for the independence of the 'Catalan Countries', Terra Lluire. Although, it was recognised by the Spanish government as a terrorist group, in the period 1979 until the ending of Terra Lliure in 1991, it had less impact than ETA. In the period it committed one, accidental, murder and its actions were not as bloody as the one's committed by ETA. Two main characteristics made Catalan nationalism different from its Basque variant. Firstly, it was supported by the majority of the Catalan people. Secondly, the way of trying to achieve its nationalists goals were through a political way. With political in this context I mean, through talk, through negotiating and, thus, through consensus.

Catalan arguments for further autonomy can be divided into two groups, the rational and emotional arguments as Guibernau explains in his article "Nationalism and Intellectuals in Nations Without States: the Catalan Case". Summarizing the rational arguments Catalans argue that their

contribution to the Spanish coffers heavily outweighs the income it receives from the central government. This is presented as an unjust situation which, if reversed, would automatically increase the Generalitat's spending power and improve the Catalan's quality of life. Moreover, they think that political decentralization tends to strengthen democracy in as much as it brings decision-making processes closer to the people. Regional politicians usually have greater awareness of the needs and aspirations of their electorates, thus the argument follows, greater devolved powers for Catalonia would strengthen Spanish democracy and encourage greater democratic participation within the region.

The last rational argument runs that

the devolution of powers to regional institutions requires the re-allocation of resources to facilitate discrete policies and regional budget planning. These processes, in turn, contribute to revitalize civil society, encouraging local and regional initiatives that include cultural, economic and social projects.

Emotional arguments concern historical and identity arguments. Fresh in Catalan society's memory is the Franco dictatorship, these memories "are connected with a long list of grievances, most of them concerned with repeated Spanish attempts to eradicate Catalan language, culture and political institutions". Then there is the question of Catalan territory,

a substantial number of people refers to the so called 'Països Catalans' including Catalonia, Valencia, the Balearic Islands and territories across the Pyrenees on the French side of the border. They justify their claim by stressing that these territories share a common linguistic and cultural background.

The last argument refers to Catalan identity which "are often portrayed as parts of a corpus of Catalan high culture which has received international recognition". These are Catalan artists such as Miró, Gaudí and Dalí on the one hand and the proud of Barcelona, FC Barcelona, on the other hand.

An interesting third group to take a look at are the regions, that, because of the establishment of the 'Estado de las Autonomías' are the product of invention or are part of a mimesis effect. Because of the asymmetrical model of the Spanish state, in which the three historical nationalities had more competencies from the beginning of the transition to democracy, there are regions who are imitating the Basque Country, Catalonia and Galicia. In a way they are copying, or to use the Greek term 'mimesis', the three nations in Spain, and thus inventing traditions and identity. The domino effect created by the 1978 Constitution make other communities articulate a similar regional identity in order to achieve the same competencies. We can conclude that this is an unwanted consequence of the founders of the Constitution. As I stressed out before, the Constitution's ultimate goal would be an equal Spanish state. By providing more autonomy to one region than to the other, the Constitution created an atmosphere of competition between the communities (Lecours, 2001) more than an atmosphere of solidarity and cooperation.

## 1.6. Contemporary nationalism in Spain

In both the Basque Country and Catalonia two parties have been dominant in regional politics since the transition to democracy. The PNV in the Basque Country and *Convergència I Unió* (CiU) in Catalonia. Both parties promote the nation's culture and language with succes. Especially in Catalonia, Catalan is by far the most used language. It is not exaggerated to predict that if the English language ever emerges as the *lingua franca* in the European Union, the Castilian language will disappear out of Catalan society.

The Basques and Catalans are not satisfied with their political position in the Spanish state yet. An overview of events related to Basque or Catalan nationalism can underline this statement. In the first place there is the, still existing, ETA. After the Angel Blanco murder Basque politics, part because of public pressure, and with the exception of *Euskal Herritarok*, distanced itself from everything that had to do with ETA, with the PNV denouncing the organisation as illegal. The combination of political attacks and public pressure, in the form of huge demonstrations, made ETA decide to declare a truce in September 1998. There were even talks between ETA and the Aznar government during the truce. After the first round it became clear that the talks had to fail. ETA intended to discuss Basque independence while the government only wanted to talk about ETA's disarmament. This failure was a reason for ETA to end the truce fourteen months later. Another setback for ETA was the victory of the, by ETA hated, *Partido Popular* in the 2001 Basque regional elections. Another confirmation that ETA was not acting according to the will of the majority of the Basque people. In the same year ETA wanted to start talking again. It stated "that it would stop fighting if its maximum demand was met: that Spain must hold a referendum on Basque independence" (Shepard, 2002). Looking back it was not the best time to demand such things, a few weeks after 9/11 in which the universal hunt on terrorist had began. Therefore, the president at that time, Aznar, "refused, saying that the 11 September attacks showed that it was 'suicide' to deal with terrorists. 'They must be defeated, he said, because the only aim of killers and fanatics is to kill and exclude those who don't think as they do'. And so the stage was set for violence to continue" (Shepard, 2002).

9/11 would prescribe the first decade of the twenty-first century for Spain. In the aftermath of the terrorist attacks on the World Trade Center the Spanish government joined the US administration in the 'Coalition of the Willing' and therefore in the war in Iraq. On 11 March 2004 Spain was shocked by the Madrid train bombings in which 191 people died. Directly after the attacks the political dilemma of the governing PP was twofold:

Firstly, announcing that an Islamist organisation had perpetrated a terrorist attack in Spain was going to make the PP's unpopular decision to support the American military intervention in Iraq a damaging issue in an election (held three days later) it was fully expecting to win. Secondly, by hinting at the involvement of ETA, the PP government was attempting to endorse its hard line towards Basque nationalism (Moreno, 2005).

Thus, the PP accused ETA, even after the Spanish police was almost convinced that the attacks were committed by Islamic fundamentalists. It is hard to prove that there is a direct connection between the loss of the PP in the following elections. A fact is that "in total, 2.6 million voters, more than 10 percent changed their behaviour as a consequence of the attacks" (Colomer, 2005). The Partido Socialista Obrero Español (PSOE) became the governing party, with Zapatero as its president, a function he holds until today. The first day after his victory he ordered all Spanish troops to be withdrawn from Iraq. In May 2005 Zapatero, with support of the Spanish Parliament, offered to start talks with ETA if the group ended violence. In March 2006 ETA announced a permanent cease-fire, a promise it broke in December of the same year with a bomb attack in the airport of Madrid. The last terrorist attack committed by ETA took place on 30 October 2008 with a bomb attack nearby the University of Navarre. In the beginning of the ETA years, the organization its aim, and at the same time its legitimacy, was liberate the Basque state from an authoritarian government. In contemporary time, it is Europe's last terrorist organisation, and its position can be defined as at the extreme left of the political spectrum. ETA its recruitment mainly takes place under young people living on the Basque countryside or certain small areas of the main Basques cities, who have a preference for anarchism.

In July 1998, the main nationalist parties in Galicia, the Basque Country and Catalonia signed a joined declaration demanding that Spain should be defined as a multi-lingual, multi-cultural and multi-national state, known as the Declaration of Barcelona. "After twenty years of democracy, Spain continues, as they see it, to retain its essentially unitary character and has not yet resolved the national question" (Guiberanu, 2000b). Eight years later the national question is still not solved if we take a closer look at the Reform on the Statute of Autonomy of Catalonia of 19 July 2006. This reform was approved by a referendum held under the Catalan population. A first sign that the national question is not solved yet is that the law does not have a legal value according to the Spanish government since the Spanish Constitution recognizes the 'Unity of the Spanish nation'. In the Preamble of the Reform the Parliament of Catalonia states that: 'The Catalan people have maintained a constant will to self-government over the course of the

centuries'. (...) 'Catalonia's self-government is founded on the Constitution, and also on the historical rights of the Catalan people, which, in the framework of the Constitution, give rise to recognition in this Estatut of the unique position of the Generalitat. Catalonia wishes to develop its political personality within the framework of a State which recognises and respects the diversity of identities of the peoples of Spain.' (...) And, 'in reflection of the feelings and the wishes of the citizens of Catalonia, the Parliament of Catalonia has defined Catalonia as a nation by an ample majority. The Spanish Constitution, in its second Article, recognises the national reality of Catalonia as a nationality'.

The Spanish state transformed from a dictatorship in a well-functioning democracy in the thirty-four years after Franco's death. Membership of the, then European Community (EC), nowadays, European Union (EU), in 1986 contributed to a economic growth improving the living conditions of most Spaniards. 2008 was a good year for nationalism with a lot of Spanish successes in sports. Nevertheless, the 'national question' is still not solved. The three historical nationalities ask more autonomy than the central government ever wants to give. Is there hope in this situation, or is it an dead-ended track? In "From Competitive Regionalism to Cooperative Federalism: The Europeanization of the Spanish State of the Autonomies", Tanja Börzel argues that membership of the European Union can contribute to the political well-being of the Spanish state. Börzel argues that Spain is moving from competitive regionalism to cooperative federalism. To explain the term 'cooperative regionalism' we have to take another look at the asymmetrical model of the Spanish state formulated in the 1978 Constitution. From the beginning of the democratic state the Constitution distinguished the different autonomies. There were the three historical nationalities which had more competencies than the other communities. This situation knew a few unwanted consequences, considering that the founders of the Constitution strived for unity and solidarity within the Spanish state. Firstly, the three historical communities looked at each other and were not always happy with their own position in the Spanish state. A good example is Catalonia its struggle for better tax conditions, claiming that the Basques had their 'concertos económicos'. Secondly, some of the other communities than historical autonomies started to imitate those communities and therefore inventing their history, traditions and culture, hoping that this would give them the same status as the historical nationalities. We can conclude that both consequences did not contribute to the unity of the Spanish state, rather it made the autonomies more differentiated subjects than they were before. Ultimately, the Spanish state does not see itself as a federal state. However, in practice, the state has a lot of characteristics of a federal state. Not recognizing

its federal status makes things much more complicated than admitting that Spain is moving towards federalism.

In her article, Börzel explains that the role of the seventeen autonomies in European policymaking creates a situation in which federalization is becoming factual and is, in a way, recognised by the Spanish state.

In 1994, the Spanish government and the seventeen autonomies (ACs) agreed on a formal procedure for the autonomous communities to participate in European policymaking through joint cooperation with the Spanish government. The Spanish government informs the ACs of all European issues relevant to their competencies or interests. The autonomous communities can formulate joint positions on specific issues, which the Spanish government must consider in formulating its bargaining position. (...) For the first time, the seventeen ACs are formally and jointly participating in central-state decision-making (Börzel, 2000).

Important in this process of Europeanization is that the mutual dependence between central government and the autonomies increases. It took almost a decade for the central government and the autonomies to reach sort of a level of 'cooperation' and 'mutual dependence'.

When Spain joined the European Community in 1986 it had to adopt the whole *acquis communautaire* (a term to qualify the whole amount of European legislation) at once, which led to a considerable policy overload. In order to ensure that the *acquis communautaire* was incorporated quickly, the Spanish government successfully 'captured' the legal implementation of virtually every European policy, even where the implementation of such policies came under the competencies of the autonomous communities. Thus, the implementation of European policies allowed the central state to access regional competencies, which were outside its remit for domestic policymaking under the Spanish constitution. Instead of cooperating with the Spanish government in European policymaking, the autonomous communities pursued a two-fold strategy of 'circumventing and confronting the state'. On one hand, they tried to bypass the Spanish government by establishing direct contacts with European institutions. On the other hand, individual autonomous communities litigated against the central state before the Constitutional Court wherever they perceived an intrusion by the central state into the sphere of their competencies in European policymaking. The attempt of the Spanish regions to bring any intrusion by the central state into their autonomous sphere of competencies before the Constitutional Court proved equally ineffective. Catalonia and the Basque Country in particular initiated a series of Constitutional conflicts over competencies

with respects to the implementation of European policies. In most cases, though, the Court decided in favour of the central state (Börzel, 2000).

This situation lasted until the central state and the autonomies agreed to cooperate in the 1994 agreement. Although, there still is not a situation of total agreement between the state and the regions, the move to, what Börzel calls, cooperative federalism could have positive consequences. If the 'European project' keeps developing with this speed, more and more European policies become more important than domestic policies. In the Spanish case, this would mean, more and more cooperation and mutual dependence between regions and state. Moreover, if cooperation on European level is satisfying for both sides, more agreement and better cooperation on domestic level is easier to accomplish. Ultimately, as I stressed out before, as a Catalan argument for more autonomy, regional politics brings politics closer to the people and therefore strengthens the democratic state. A further move to federalism would have a higher degree of democracy as a consequence.

## 2. Bolivia

Politically, Bolivia is a very complicated country. Within the political spectrum exist different conflicting currents. To understand contemporary Bolivia, with on the one side Morales' 'Movement to Socialism' and on the other the capitalist entrepreneurs in the Eastern Lowlands, it is useful to take a look at the country's history. The main question in this, second, part of this working paper will be: Why do parts of Bolivia wish for autonomy? Starting with a very important political change in the beginning of the second half of the twentieth century, I will explain how these conflicting currents were created and why this conflict is the main reason some departments are demanding autonomy. The second historical period which I will highlight will be the current polarization of political thoughts starting with the 'Gas War' of October 2003. I believe that these historical events, the National Revolution of 1952 and the rise of Evo Morales can be a good survey to understand contemporary Bolivia better.

Bolivian history before the 1952 National Revolution was marked by a few factors. Firstly there was the development of divided regions, each with an own highly developed culture and identity. Geographical obstacles such as mountains, deserts and forests, had as a consequence that, for example, there wasn't even a highway between Cochabamba and Santa Cruz until 1954. Thus, Bolivian society was one of different identities. Nevertheless, there was one common characteristic for all the regions.

Since independence in 1825, society had been dominated by a white, Spanish-speaking, Europeanized elite, which controlled economic and political power and exploited the Quechua and Aymara speaking peasantry. The mestizo and usually bilingual urban lower classes, lower middle class, and rural freehold farmers occupied an uneasy intermediate position between the elite and the indigenous masses (Springer, 2005).

As I will explain in the next section, ultimately, the middle-class contributed heavily to the National Revolution. Since 1825, political power was based on force. With a middle-class more and more opposing, instead of accepting or not acting against, this kind of political power, the Bolivian political spectrum started to change. The starting point of this big change was the Chaco War.

## **2.1. Towards the 1952 National Revolution**

The Chaco War has been an important event in the history of Bolivia. Events, that, happened during the war and the ultimate defeat provoked the reformation of Bolivian society, in a social revolution nineteen years after the beginning of the war. After its independence, both Bolivia and Paraguay claimed territory over a part of the 'Grand Chaco', the Chaco Boreal. Like it did with the Atacama province in the Ten Centavos or Pacific War with Chile, fought between 1879 and 1884, "Bolivia based its claim on the principle that Spanish colonial territory should directly transfer to the new independent nations of Latin America" (Morales, 2004). In the thirty years of diplomatic conflict over the Chaco Boreal region, Paraguay received unexpected support from the United States, which totally ignored Bolivian rights. This support would after the war feed rumors over other countries or foreign companies having interest in the territory, beside Paraguay. The diplomatic conflict was strengthened by some border conflicts in the late 1920s, in which Bolivian soldiers died. Because of this Bolivian public was pressuring for a war. "Although the Chaco territory was not essential to land-rich Bolivia the chauvinistic climate of both governing and opposition drove Bolivia into the war" (Morales, 2004). Thus Bolivia tried to conquer an area it didn't need, moreover in the late 1920s the price of tin drop heavily, therefore, the country was facing an economic crisis.

The size and nature of the territory was more or less useless to Bolivia. This changed when rumors about oil deposits fed Bolivian aggression. This, together with the United States choosing Paraguay's side in the diplomatic conflict,

Bolivians, especially after the war, generally held that United States and British corporate interests had supported Paraguay indirectly through Argentina. They believed (and most still do) that the American and British Oil companies, Standard Oil and Royal Dutch Shell, respectively were behind the Chaco War. Historians have still to uncover definitive proof to support this popular Bolivian conspiracy theory found in national history texts (Morales, 2004).

What W. Morales calls 'a conspiracy theory' is, in this working paper, the first example of a Bolivian paranoid nationalistic mentality which is called 'the Potosí syndrome' by Dunkerley (2007). Potosí, once one of the most flourishing cities of the continent because of its rich deposits of natural resources, was exploited by the Spaniards.

Like with many other wars in history, war broke out because of a little conflict at the Bolivian-Paraguayan border. Beside the economic crisis, Bolivia wasn't ready for a war, "Bolivian generals were fully aware that Bolivia was unprepared for total war. Unable to deter him, they forced president Salamanca to take complete personal responsibility in writing" (Morales, 2004). Salamanca's impatient and aggressive attitude not only meant his own downfall, he was replaced by the military during the war, but also for the political group he represented, as would turn out in the years following the war. Ultimately, the war became a humiliating defeat for the Bolivian army. The Paraguayan army even reached far into Bolivian territory, close to the regions of Santa Cruz and Tarija, or in other words, Bolivia's oil supplies. In the end, the Bolivian army was able to defend its own country's territory, but nothing more than that. It pushed the Paraguayans back until the Central Chaco, after that a cease-fire was agreed which not turned out into a final peace treaty until July 1938. During the war about 60,000 Bolivians and 40,000 Paraguayans died.

Why is the Chaco War seen as the starting point for a change in Bolivian society which ultimately turned into the national revolution of 1952? First of all, almost 200,000 soldiers were mobilized for the war, at least half were of indigenous origin.

Prior to 1952, there had been very little communication between the indigenous majority (of the population) and the Westernized minority. This was a major barrier to the political socialization of Bolivia. Before the Chaco War, social mobility was possible only through the military, through acquisition of wealth or formal education, or through politics, all of which were open only to a very few individuals outside the urban minority (Bergsten, 1964).

The appeal of the government and the military to the indigenous population for the recruitment of Chaco War soldiers had three consequences: firstly, there was an increase of communication between indigenous and Westernized Bolivians within the army. Secondly, “white officers used propaganda to stir the Indians to maximum effort, preaching the equality of their status and attempting to convey the idea that they, too, had a vital take in the outcome of the conflict” (Bergsten, 1964), thus providing new, more liberal, ideas about the indigenous position in Bolivian society. Finally, for the first time, a relatively high percentage of the indigenous people traveled to parts of the county outside their community and way of life, creating a new national awareness. To put it in W. Morales her words:

The indigenous veterans who survived and returned from war were forever changed men. Many abandoned their old lives and were caught up in the postwar radicalism. The war had exposed the injustice of the old system and the corruption of the ruling class (Morales, 2004).

The Chaco War ended in 1935, the Bolivian society had changed. Nevertheless, it took until 1952 before real, politic change entered Bolivia. A new characteristic which entered the Bolivian political spectrum was something that probably could be best described through the term ‘social’. More power to a broader part of Bolivian society providing more equality and justice. The personification of this change became Colonel Germán Busch. He was a young military reformer and represented a group of young veterans in the army, introducing military socialism. “At the heart of this new post-war nationalism and military socialism was anti-imperialism. (...) The goals were to liberate the country from the control of the private economic interest and to create a strong and independent Bolivian state”. To achieve this goal, Busch nationalized oil companies, created a constitutional reform and established improved working conditions. Busch committed suicide, some historians say because he was not satisfied with the speed the country was developing. After Busch’s death the oligarchy and conservative parties seized control again, although within a changed political system. A system in which a party like the Movimiento Nacionalista Revolucionario (MNR) could arise. Future leaders of the party supported socialist parties in these days.

The MNR was founded on May 10, 1941, with Paz Estenssoro as its first leader. According to the official program, the party supported revolutionary nationalism, a strong and secure state, and the economic independence and sovereignty of the Bolivian people. The MNR’s orientation, therefore, was a uniquely Bolivian blend of nationalism and socialism (Morales, 2004).

Moreover, in the second half of the 1940s a powerful tool was created for Bolivia's future history: the political party-labor cooperation. A military political leader who contributed to this development was Villarroel. Favoring Busch's military socialism and admiring European fascism, the Villarroel government received a lot of resistance from other parts of the world, especially the United States. Villarroel contributed in two ways to the development of the Bolivian state. He expanded labor unions and established the *Federación Sindical de Trabajadores Mineros de Bolivia* (FSTMB), the miners union. Moreover, he expanded indigenous rights, sponsoring Bolivia's first National Indigenous Congress. Part of the international pressure existed of the participation of the MNR within the Villarroel government. After internal pressure also increased, Villarroel decided to establish an exclusively military government. A few weeks after this decision, a mass of hundreds of strikers attacked the presidential palace, killed Villarroel and hung him from a lamppost, in front of the palace at Plaza Murillo.

Villarroel was succeeded by the oligarchy in a period known as the 'Six Years'. In short, years of oligarchic rule, social struggle and repression. In particular, the indigenous people and the miners felt the revenge of the oligarchy. "The reactionary régimes of Herzog and Urriógoitia, during the so-called 'Six Years' from 1946 to 1952, were dominated by traditional interests" (Bergsten, 1964). In the 'Six Years', most of the MNR leaders were in exile. Nevertheless, the party regained political because of intimate cooperation with labor, especially the miners. Moreover, the government's repression undermined its legitimacy and, therefore, contributed to the popularity of the MNR.

## 2.2. The National Revolution

What kind of revolution was the 1952 revolution? In my opinion there could be two different views or a combination of both. One view would be a socialist revolution started by parts of the working class. The best way to explain this view is by a conference of tin miner unions, adopted as the *Thesis of Pulacayo* (Morales, 2004). It declared that the Bolivian workers were the true and sole fighting vanguard of the revolution which had to come. As such, workers were to initiate an armed class struggle and directly move to establish a workers' state. This agenda of militant struggle constituted a virtual declaration of war against the oligarchy. In April 1952, it were those mineworkers who made the breakthrough for the MNR in the Battle of La Paz. They attacked the government army in El Alto and cleared the way for MNR victory.

Another view would be the ability of the MNR to combine various societal forces into one power. Beside that, the party was able to reach the middle class. Concluding one could say that it was a revolution of the Bolivian people. The MNR needed currents like the tin miners to create a revolutionary atmosphere. In 1949 it plotted its most serious coup before the final coup in 1952. Just like in 1952 would be the case, the military backed the government. The big difference between the two coups was that the MNR didn't arm the people out of fear of the chaos violence can create in 1949. Moreover, in the period between the failed and successful coup, middle-class support for the conservative and oligarchic government declined. The MNR emerged as a multi-class political party and this fitted in the revolutionary atmosphere of the end of the 1940s and the beginning of the 1950s. These developments led to a polarized society, one was, or in favor of change, or in favor of keeping things as they were, there was no middle way anymore.

Looking back at the National Revolution, scholars have different opinions about the goals achieved and changes made by the MNR. The first reform made by the party was a new electoral law that guaranteed universal suffrage (Springer, 2005) to all, adult, Bolivian citizens. This meant the acceptance of a part of Bolivian society that never voted before. After a history of exclusion and oppression, corruption by the established order and racism of the indigenous majority, this was a significant and truly revolutionary change. Moreover, two policies had a significant effect on Bolivian society as well. Firstly, MNR's program of Agrarian Reform. Until 1953, the year the Land Reform was initiated, Bolivia had undertaken two land reform programs.

The first was in 1825, the second in 1874 (...). Both were basically attempts to 'liberalize' and modernize agriculture. Central to all three plans was the replacement of the Ayllus, the traditional indigenous agricultural communities based on lineage, with private individual land ownership (Morales, 2004).

The MNR's main concern was to destroy the old slavery system. This system is known as the 'hacienda system', hacienda means estate, and the haciendas usually existed of large land-holdings. Some were plantations, mines, or even factories. A hacienda was owned by only one family, or sometimes a small group of people. This family or group was the only one who took the profits. 'Employers' of the hacienda had to work under slavery circumstances. The Castilian, negatively loaded, term for the owners of a hacienda were called 'latifundistas'. A free translation would be 'agrarian exploiters'.

Indeed, the MNR destroyed the old hacienda system. According to Bergsten, in his article, “Social Mobility and Economic Development: The Vital Parameters of the Bolivian Revolution”, especially, this reform, contributed to an increase of the possibility for social mobility in Bolivia. His article is written just before the military overthrow of the MNR government in 1964. Therefore his words are a bit too enthusiastic in my opinion, but they show an important contribution of the MNR to the improved position of the indigenous people:

(...) ‘The Andean republic has made remarkable progress in breaking down centuries-old societal gaps. The MNR (...) has played a vital role in politically activating the traditional Indian segment of the population. The revolution of 1952 (...) virtually wiped out the upper class of Bolivian society’ (Bergsten, 1964).

MNR’s program of land reform, in his view, took away Bolivia’s obstacle number one in promoting social mobility. “The ‘Latifundistas’ were the most significant element blocking racial identity”. Bergsten dared to look into the future and has an interesting view towards the mixture of the different identities in the years after the article was published, namely in 1964.

In Bolivia, however, a true amalgamation of cultures is taking place. Perhaps even more significantly, this amalgamation is occurring gradually: there is no sharp, painful, transition. The group, rather than the individual, is the locus of change. (...) A true mixture of Spanish and Indian traits is developing, to the extent that mestizos may even be found speaking Quechua. (...) The results of this process are highly favorable to the development of a politically-socialized society in Bolivia. (...) A new class, mixing traditional Indian and modern mestizo, will probably develop and become increasingly important in Bolivian society. Intra-class boundaries may then form along occupational lines, with mobility to higher levels possible in succeeding generations (Bergsten, 1964).

Secondly, the MNR nationalized the mining industry in the same year as the National Revolution took place. With the nationalization *Corporación Minera de Bolivia (COMIBOL)* was created. The nationalization had no effect on the middle and small mining companies, but was a direct measure against the ‘latifundistas’, or oligarchy, of the mining industry. The nationalization proved to be a first test for the MNR where its position in the political spectrum exactly was.

Several of the medium-sized mines were US owned, and the MNR had no desire to directly confront the United States. Respecting the private property of these enterprises was intended to allay US suspicions concerning the MNR's intentions and ideological orientation (Morales, 2004).

The decision the MNR had to make between its 'truly revolutionary character' and politically the wisest decision showed the weakness of the MNR. The MNR was a multi-class, but also a multi-ideological party. When the Revolution took place, it was not a hard task to combine various angered groups. However, when policy had to be made the different visions appeared on the surface.

Besides internal divisions within the MNR, other reasons made the impact of the MNR limited, according to some scholars. According to Dunkerley (2007) "the MNR leadership was a tie-wearing fraternity, for a while invigilated to the left by the FSTMB miners' union, itself influenced by anarcho-syndicalist and Trotskyist currents". Moreover, firstly, "the very government decrees enacting radical reforms were addressed at a majority population that was hardly ever reached by any law, had no culture of literacy and was often not fluent in the language of administration" (Springer, 2005).

Secondly, Bolivia had been a country with certain social structures, hierarchy and racist characteristics for more than a century, which couldn't be wiped out overnight. Finally, internal division within the MNR itself had a consequence regarding the military. The military became more independent from the MNR civilian government, forced the MNR to appoint General Barrientos as vice president, and when it was weakened enough it overthrew Paz Estenssoro's, third term, government in 1964.

Concluding, and regarding the political situation in contemporary Bolivia, I think that the MNR contributed to the country in two important ways, which go hand in hand with each other. It broke with old system of the 'master and slave'. The absolute minority elite which had ruled the country since independence had to take a step back. It became clear that, by far, the most part of the population didn't want to continue living under this system. A merit of the MNR, therefore, was the mobilization of a Bolivian middle-class. Consequence, and the second contribution of the MNR, was the introduction of the indigenous majority in the political spectrum. By giving it the right to vote, it gave this social group political influence and dignity. Nevertheless, as the following years would learn us, Bolivia was very far from an established democracy and universal rights for all its inhabitants.

### 2.3. Re-democratization after military power

The most important reason why the National Revolution and the MNR policies had relatively such limited impact was the return of military rule in 1964, which reversed basically all changed policies. Keeping in mind that I'm investigating the topic of autonomy and not providing an overview of Bolivian national history; I will pay little attention to the military years between 1964 and 1982. The re-democratization was a fact in October 1982 when the Bolivian Congress revalidated the results of the 1980 election, which, because of military rule were never observed. Hernán Siles Zuazo (1982-1985) became the country's first civilian president to be legally elected. In the years following the re-democratization, part of the political problems Bolivia faces today were created. The 1980s and 1990s could be characterized as a neo-liberal democracy.

Three critical problems complicated the difficult transition to democracy. First Bolivia's military governments had contracted massive national debts during the 1970s, a legacy of fiscal and economic irresponsibility that plagued the new civilian presidents. Second, the political and economic order of the hemisphere and the world had been altered significantly by the early 1980s', such as globalization and liberalizing market forces. Finally, Bolivia became mired in a full-blown drug problem (Morales, 2004).

Two of these legacies are still part of Bolivia's political spectrum. The economic problems were, in one's eyes, solved by neo-liberal reforms. Others are very critical about these policies. One thing is sure and is that these capitalist reforms created part of the ideological struggle Bolivia faces today.

By 1985 a true democracy was established in Bolivia. Paz Estenssoro (1985-1989) was elected for his fourth term. Special about his election was that it marked, for the first time since Bolivian independence, a peaceful transfer of power between opposition political parties. It also meant a dramatically shift in political economy.

If the (national) revolution stood for nationalizing the means of production, establishing universal franchise rights, and enacting radical agrarian reform, Paz's final term in office initiated a series of changes that would make Bolivia a model country for neo-liberal reform (Lehoucq, 2008).

Paz's successors Paz Zamora (1989-1993) and Sánchez de Lozada (1993-1997) implemented far-reaching privatization policies in petroleum, gas and air transport companies.

Especially under Sánchez de Lozada, this policy came to its neo-liberal climax. The privatization was a consequence of a tendency introduced by Paz Estenssoro called the New Economic Policy (NEP). This economic policy was introduced to bring the hyperinflation under control which the country suffered as a consequence of the military years.

Although inflation was brought under control, severe recession followed and the resulting public discontent was stopped only by declaring a state of emergency. These policies represented a striking departure from the MNR's past. The collapse of world tin prices also accelerated the end of Bolivia's powerful public mining monopoly. Within only two years the state mining giant COMIBOL was forced to lay off 75 percent of its workforce (Springer, 2005).

In this period, the two popular political parties on the right created a 'pact for democracy', which guaranteed the government the necessary legislative majority to implement its programs. Moreover, "both left and right in the country's multiparty system agreed to abide by election results, no matter how unpalatable these would be" (Lehoucq, 2008). Because of this politics were stabilized and it was possible for governments to implement structural reforms. With a stable political landscape and an economy slowly increasing after a huge downfall just after the re-democratization, Bolivia seemed to become a truly neo-liberal democracy.

A neo-liberal state is a state created after Western example. Moreover, Western states support countries like Bolivia to preserve this state model. If such a country does so it can expect financial support from those Western countries. A frequent consequence of this kind of cooperation is the involvement of the supporting country in home affairs of the receiving country. This exactly happened with Bolivia and the United States. The United States, in favor of the Bolivian government, were providing financial aid to Bolivia. Meanwhile, using or abusing the cooperative situation to achieve policy goals set at home. The United States, and its long-lasting 'War on Drugs' found in president Banzer Suárez (1997-2001) the perfect ally in the eradication of the coca leaf in world's, at that time, second largest cocaine producer. The 'democracy pact' I mentioned earlier was an agreement between Paz Estenssoro, Paz Zamora and Sánchez Lozada MNR and Banzer Suárez's Acción Democrática Nacionalista (AND). Banzer Suárez was one of the military dictators in the years between the National Revolution and re-democratization, from 1971 until 1978. Interestingly enough, he became president again in 1997, this time in a democratic way. Banzer Suárez shall be remembered for his 'zero coca' policy. Thereby supporting the United States and co-creating an atmosphere in which Evo Morales could rise. "Cultivated in Bolivia for centuries and a highly valued trading commodity in the pre-Columbine era, it (the coca leaf) became an important crop from the

seventies onwards as it provided the base for cocaine production” (Aguirre & Moreno, 2007). Because of the economic crisis after the years of military rule and the world wide collapse of tin prices, many former mine workers in the regions of Potosí and Oruro decided to move to the Chapare region to cultivate the coca leaf. The closing of many mines in combination with an increased demand for cocaine in the Western countries made the cultivation of the coca leaf an attractive business to work in. Another term for Banzer Suárez’ ‘zero coca’ policy is the, so-called, ‘Dignity Plan’. Trained by US military, Bolivian anti-narcotic troops violated the rights of the coca-farmers and even causing deaths in coca producing communities. According to Springer:

Developments since the inauguration of Banzer in 1997 have shown that the assumed stability of Bolivia’s democracy was always more apparent than real. There has been popular frustration over the lack of social development and growing controversy associated with the illicit production and eradication of coca, leading to a newly-found combativeness on the part of peasant organizations and unions (Springer, 2005).

In his inauguration speech for Congress, Morales declared: ‘Long live coca and down with the Yanquis’. Coca is what gave Morales the chance to make a political career and why he has such an anti-American attitude. “Since 1988, as leader of the largest Chapare coca growers federation, Morales has passionately defended the farmers’ right to grow the sacred leaf, arguing that the cocaleros were not addicted to coca but to eating” (Morales, 2004). However, there was more than Banzer Suárez violent attempt to eradicate coca. Firstly, the NEP policy didn’t have the outcome the neo-liberal governments of the 1990s wished for.

Economic analyses suggest that liberalization (NEP) has not produced the desired outcome. Re-allocation of resources from declining industries, which were forced to close or cut back production under the impact of import competition, has not lead to new resources for export activities. Productivity in manufacturing has only grown minimally, and mainly because of reductions of the workforce. Such growth in exports as has occurred has been mainly in the area of primary and semi-processed goods, reinforcing Bolivia’s status as a natural resource exporter, vulnerable to external shocks and the fluctuations of international commodity prices (Springer, 2005).

In the eyes of the majority of the Bolivian people the neo-liberal experiment failed. Simply because they didn’t notice an increase of their income in the period of re-democratization. Moreover, at the end of the 1990s the average citizen didn’t have faith in the leaders of their state because of corruption scandals, and the fact that a small part of the population profited

from the neo-liberal economy. Especially large landowners and agro-entrepreneurs in the Eastern Lowlands took advantage of the liberal policies. In other words, the poor remained poor and the rich became richer.

The combination of violence against your own people, thereby trying to wipe out a sacred symbol of Bolivian society, the not improved living conditions and knowing that some of the leaders of your country are taking money which belongs to the collective created a bomb which had to explode. The first explosion took place during the so-called 'Water War' in Cochabamba. After the privatisation of a lot of public services, the Banzer Suárez government, under pressure of the World Bank, decided to privatise the water and sanitation system in Cochabamba, and sell it to "the consortium Aguas del Tunari led by the International Water Limited (IWL). IWL is jointly owned by the US construction company Bechtel and the Italian energy company Edison" (Lobina, 2000), in 1999. In the following year, prices threatened to hike two-hundred percent or more and the people of Cochabamba began an uprising, spread overall several months. This uprising can be considered as the starting point of mob rule which would dominate the first decade of twenty-first century for Bolivia. Just as in other uprisings, mass demonstrations and road blocks gave the people what they wanted: the government teared up the contract.

#### **2.4. The rise of MAS and the division of Bolivia**

In 2002, Sánchez de Lozada, his popular name is 'Goni', became president for the second time, succeeding Quiroga who was vice-president under Banzer Suárez, but succeeded him after Banzer Suárez had to resign because of illness. In the 2002 elections, Morales became second in the race for president, however, his Movimiento al Socialismo (MAS) lead the opposition in Congress after elections. The years after 2002 have shown Bolivia's weakness, of being a state in which cooperation between opposing groups seems impossible. Ideologically the state of Bolivia seems a contradiction. The last six years made clear how far the different groups are, ideologically, divided. Geographically, it would be untrue to speak of 'Two Bolivia's', there is not a full East-West confrontation. But, in my opinion, in an ideological way one can speak of at least more than one Bolivia. In this section, first I will try to explain on the hand of articles out of the *Economist* the visions of the various ideological groups. In the second part I will argue why I believe what the autonomy problem looks like.

Since 2003 Bolivia has been ruled by the streets, not by democracy. The Cochabamba ‘Water War’ was the first sign of this kind of governing. After a history of repression, the re-democratization of the 1980s brought true democracy to Bolivia. Nevertheless, the neo-liberal governments failed to convince the people of the advantages of democracy because of the war on coca, corruption and a, in some opinions, the failed economic system. It is hard to judge whether the neo-liberal system failed or not. On the one hand, the average Bolivian didn’t see its income increase, on the other hand, without privatization of the oil and gas industry many deposits of oil and gas wouldn’t have been discovered. What if the neo-liberal governments would have had the chance to exploit these oil and gas deposits, the second-largest of Latin America? In 2003 became clear that there would be no opportunity to do so. In January of that year, police and coca farmers clashed. Six protesters died while more than fifty people from both sides were wounded by rocks and bullets<sup>2</sup>.

In the next month army and police turned their guns at each other in a protest against the government spending cuts and new income taxes. Under the protesters were many policemen. At a point, both sides, police and army turned to bullets and twenty-seven people died. In order to get the police back on duty the government agreed to withdraw certain proposals from Congress. This was the first sign that road blocks, protests and uprisings could work for the radical social movements supporting and initiating these actions. Besides taxes, there was another concern for the Sánchez de Lozada government, namely, its plans of shipping liquefied natural gas to the United States and Mexico through Chile.

“The armed forces, in particular, resented the use of Chile; and Goni now owed them his life”<sup>3</sup> after the confrontation in which twenty-seven people died. Within the army, the War of the Pacific was still not forgotten, the war which made Bolivia a landlocked country. Dunkerley argues that in contemporary Bolivia two different armies exist,

René Zavaleta Mercado postulates, in his study of the political crisis of 1997-80, the existence of two distinct Bolivian armies, the first of which reflects the nationalist tradition: *‘This is the army that must feel those aspects of the nation that existed before the nation or lie behind its particularism, such as the properties of the earth and the corporatist vision of the world’*. This is the army that occupied the San Alberto gas field on 1 May 2006 (to which I will return later). The second of Zavaleta’s armies is more widely recognisable: *‘The classical army, the essential reason for which is the fear of the noche triste. The function of this army is to resist the siege of the Indians . . . , that atavism known as Tupaj Katari’*.

2 ‘Coca and Socialism’, *Economist*, 1/25/2003, Vol. 366, Issue 8308, pp. 39-39, 1/3 p.

3 ‘What will the IMF say now?’, *Economist*, 2/22/2003, Vol. 366, Issue 8312, pp 33-33, 1p.

Here we encounter the armed forces of October 2003, when some seventy civilians were shot down precisely in order to break the 'siege' of La Paz from (and by) El Alto through the withholding of oil supplies. (Dunkerley, 2007).

One of the most profound disputes in Bolivian politics of the last decade has been over the privatization of oil and gas fields. The dispute came to a peak in October 2003. In September "thousands of marchers tramped for seven days to La Paz to 'declare war' on a range of government policies"<sup>4</sup>. Most important issue was the pipeline through Chile. According to the government, this project could almost double Bolivia's legal exports. Moreover, "the IMF estimates that Bolivia's oil and gas sector could add an average of 1% to GDP growth over the next five years, if projects to market the gas materialise"<sup>5</sup>, these figures were calculated in 2003. The march was followed by a general strike and demonstrations. "Goni turned to the army to restore order. It failed to do so, at a cost of at least 53 lives"<sup>6</sup>. On October 17<sup>th</sup>, Sánchez de Lozada resigned from office, thereby ending the period of neo-liberal governments which ruled since re-democratization in 1982. The protesters, and from this point on, called the social movement in this working paper, is a mix of Andean indian farmers, student and neighbourhood groups as well as the unions, supported by leftist political parties such as MAS. In my opinion, this event is a crucial point in, on the one hand the polarization of the country, and on the other hand the starting point for the wish of autonomy for certain regions. It made clear that there was no room for talks, debate or negotiations. The social movements wouldn't stop paralyzing the country until their demands were met and the government couldn't handle the situation and therefore used the power of force.

Vice-president Mesa succeeded Sánchez de Lozada. "He gained respect by withdrawing his support from Goni, saying that he could no longer remain part of a government that had caused so many bloodshed"<sup>7</sup>. Mesa appointed a non-party cabinet existing of primarily specialists and scientists. Moreover, Mesa was, and maintained until his resignation very popular under the Bolivian population. One could conclude that Mesa, during his presidency, always tried to choose the middle way between what would be the best for the country and what the social movements demanded. Mesa gave in to a demand for a Constituent Assembly, therefore, for a while Morales supported the president in defending the democracy. With a Constituent Assembly we arrive at another point the social movements demanded in a non-

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4 'Highly flammable', *Economist*, 9/13/2003, Vol. 368, Issue 8341, p. 34-34, ½ p.

5 'Highly flammable', *Economist*, 9/13/2003, Vol. 368, Issue 8341, p. 34-34, ½ p.

6 'On the Brink', *Economist*, 10/18/2003, Vol. 369, Issue 8346, p. 36-38, 2p.

7 'After the Uprising', *Economist*, 10/25/2003, Vol. 369, Issue 8347, p. 34-35, 2p.

negotiable way. One of the main priorities for the indigenous population, which the social movements claim to represent, “is laws to implement the constitutional proclamation of collective rights and local self-government”<sup>8</sup>. In the end Mesa came under siege by the same social movements that had toppled his predecessor. In December 2004 Mesa’s government announced an increase in the price of diesel and petrol. The social movements reacted with civic strikes and blockades. Just as Sánchez de Lozada did after the ‘bloodbad’ of October 2003, ending government’s ideas about the exportation of gas to the United States and Mexico through Chile, Mesa admitted to the social movement’s demands and therefore “scrapped an unpopular contract under which a French group supplies water to La Paz”<sup>9</sup>. In March 2004, Mesa threatened to resign for the first time, after “radical movements hostile to private investment in Bolivia’s oil-and-gas sector had been blocking roads for weeks”<sup>10</sup>. Ultimately, after his third threat to resign, his resignation became a fact in June of the same year. Another period of road blockades, strikes and protest had paralyzed Bolivia again and Mesa saw no other option than to quit.

What is it that we can learn from the period 2003-2005? First of all, the rise of indigenous movements was politically finalized. These groups showed that they can paralyze Bolivia for weeks if they want to. The motive of the indigenous movements is one of anger. They still are, by far, the group in Bolivian society which lives under the worst living circumstances. They live in poverty, they, compared to the rest of the population, don’t get the same basic services like education and health service. After almost two centuries of oppression and discrimination they still feel discriminated and marginalized in Bolivia. Enough reasons to fight for their rights, therefore another interesting question would be, why now? Why the first decade of the twenty-first century? The answer is twofold. First of all, a worldwide development which most of the indigenous groups oppose, globalisation. The movements are linked to a worldwide network and are able to collaborate more intensive than before. Secondly, democracy. Democracy brought the indigenous people, finally, the right to vote, to participate politically. In the longest democratic ruled period in Bolivian history, after re-democratization, it became clear that these people don’t want to live in a neo-liberal, and more important, Westernized state. Moreover, the same liberal government helped the indigenous movements a little with a constitutional change in 1994. To explain the consequences brought because of this change I

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8 ‘A Political Awakening’, *Economist*, 2/21/2004, Vol. 370, Issue 8363, p. 35-37, 3p.

9 ‘Water, Oil and the Mob’, *Economist*, 1/22/2005, Vol. 374, Issue 8410, p. 35-36, 2p.

10 ‘A President under siege’, *Economist*, 3/19/2005, Vol. 374, Issue 8418, p. 44-44, 1p.

will cite out of, first “Re-founding the State in Bolivia” by Aguirre and Moreno, second out of Lehoucq’s article “Bolivia’s Constitutional Breakdown”

The 1994 Popular Participation Law encouraged municipalisation of the territory. In Bolivia there are 327 municipalities with participative budgets. Thanks to the development of civil society in Bolivia, 42 percent of the citizens who had been classed before as rural and did not usually vote were able to vote, and to a large extent this support helped to bring Evo Morales to power (Aguirre and Moreno, 2007)

Explained by Lehoucq:

It was none other than a neo-liberal electoral reform that helped to undermine the political foundation of the newfound liberal consensus. In the mid-1990s, Bolivia went from closed-list proportional representation (PR) to a German-style, mixed-member proportional (MMP) system that expanded voters’ choices and fueled a market for anti-establishment parties. Under the new system, each voter could not only select the congressional representative from his or her single-member plurality district (SMPD)- there were sixty of these- but could also use fused ballots to select another sixty deputies in multimember PR districts. Adopted in 1994 and first used in 1997, the MMP system allowed SMPD candidates to bypass the leaders of existing parties and appeal directly to voters. Morales’s first elective office was on of these seats, which he won with the largest majority of any such candidate in the 1997 elections (Lehoucq, 2008)

## **2.5. Contemporary Bolivia: the government**

Morales won the December 2005 election by convincing, not only the poor and the indigenous to vote for him, but also a majority of the middle-class. Sick of the corruption by the established parties and thinking it would be better to have Morales in the government than on the streets made them decide to give him the opportunity to start his ‘social revolution’. The middle-class, at the same time, is Morales biggest concern. He has to choose between his radical and extremist allies of the social movements and the moderate middle-class. Him becoming moderate would have cost him the support of the poor and, maybe, even the indigenous people whom he represent. In the beginning of his presidency it appeared that he chose for the moderate route. Today, we know that he didn’t and thereby dividing the country more and more.

Morales' s government first radical act was the nationalization of the country' s biggest natural-gas field, San Alberto, on May 1<sup>st</sup> 2006. "Wearing an oilworker' s hard hat, he read out a nine-point decree under which the Bolivian state proclaimed its control of the country' s oil and gas industry. (...) The state recovers title, possession and total and absolute control over these resources"<sup>11</sup>. For the foreign companies, exploiting the fields, most drastic measure was the raise of taxes from 50 percent to 82 percent. Under the neo-liberal governments taxes for those companies amounted only 18 percent. Morales played a risky game and at first sight it seemed like a victory, while most companies in October signed contracts conditioned to Morales' s terms, Although,

the new terms are less draconian for the companies than the May 1st nationalisation decree, but much harsher than the original contracts. Petrobas, the biggest operator, with almost half of the gas reserves, will now pay royalties and taxes of 50 percent, down from 82 percent under the decree. Broadly speaking that is in line with a 2005 law approved under the government of Mesa<sup>12</sup>

A law, Morales, at that moment, considered too weak. On the other hand he lost with the nationalisation, while in August of the same year the government had to suspend the full takeover of the gas fields because it was short in economic resources. In other words, showing that "it is not knowing the business or being able to control it"<sup>13</sup>.

The second radical act, thereby losing a lot of support of the middle-class, was the Constituent Assembly. On July 2<sup>nd</sup> 2006, MAS won 50 percent of the vote in the elections for the Constituent Assembly. This meant 135 of the 255 seats. To rewrite the Constitution a two-thirds majority is needed, according to the 1994 constitution. After months of disputes between representers in the Assembly it became clear that MAS wasn' t going to get what it wanted. Different point of views seemed to make the draft of the constitution impossible. Mainly over the wish of Morales to remove the ban on presidents standing for a second consecutive term, and, over local autonomy, "the president seemed reluctant to cede power to what he called an 'oligarchy' in Santa Cruz. But he wanted to devolve power to radical social movements that make up much of his political base"<sup>14</sup>. Then there was the illegal draft of the Constitution in December 2007. According to Article 232 of the former Constitution a change of the Constitution requires two thirds of the votes of the members present in the

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11 'Now it' s the people' s gas', *Economist*, 5/6/2006, Vol. 379, Issue 8476, p. 37-38, 2p.

12 'A hard bargain', *Economist*, 11/4/2006, Vol. 381, Issue 8502, p. 46-48, 2p.

13 'Out of gas', *Economist*, 8/19/2006, Vol. 380, Issue 8491, p. 34-34, 1/2p.

14 'A Revolution faces the voters', *Economist*, 7/1/2006, Vol. 380, Issue 8484, pp. 33-34, 2p.

National Congress and cannot be vetoed by the president of the Republic. "At a marathon 16-hour session held at the University of Oruro, a rump of the Constituent Assembly (164 of its 255) members, most supporters of Morales) rubber-stamped all of the 411 clauses of the new charter. But the opposition boycotted the session; it claims the document is illegal, since it was not approved by the required two-thirds majority of the Assembly"<sup>15</sup>. Thus, the governing part approved the Constitution without much of the opposition present. On January 25<sup>th</sup> 2009, the new Constitution was approved by referendum. Rumours about not being a fair referendum are deepening the division in Bolivia.

Land reform is his third big initiative. In 2007 "he promised to redistribute a total of 20m hectares including privately owned land indentified as 'unproductive', obtained illegally or used for speculation by the end of 2011"<sup>16</sup>. The majority of productive land in Bolivia is in the hands of only a few, some 50,000 families. With his 'agrarian revolution' Morales hopes to redistribute part of the land to indigenous groups and workers communities.

## **2.6. Contemporary Bolivia: the opposition**

Morales is backed by the majority of the Bolivian population. In the second half of 2008 another referendum was held. The population was asked to declare if they were in favor or against Morales and vice-president Gracia Linera. At the same time they were asked to judge their region's prefecto. The outcome was a percentage of 68 in favor of Morales. "But the four eastern governors also secured strong new mandates, winning a higher share of the vote than when they were originally elected"<sup>17</sup>. The situation is, that, those who are against Morales are extremely against him. This has nothing to do with the place where someone was born, or where someone lives, but is strictly ideological. Thereby, are the 'pro-MAS' and 'anti-MAS' visions so extremely different that cooperation, in my eyes, is impossible.

Talking about those who have regionalist visions, is talking about a part of the political right. Regionalist visions are the strongest in the 'media luna', Bolivia's eastern part of the country which has the shape of a half moon. The departments of the half moon are Pando, Beni, Santa Cruz and Tarija. As I mentioned before, it would be untrue to speak of 'la media luna' versus the Western Highlands or Altiplano. A part of MAS voters live in the Eastern Lowlands, just as,

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15 "Double or quits", *Economist*, 12/15/2007, Vol. 385, Issue 8559, pp. 44-44, 2/3p

16 "Land Battles", *Economist*, 9/23/2006, Vol. 380, Issue 8496, p.41-41, 2/3p.

17 "Evo's Big Win", *Economist*, 8/16/2008, Vol. 388, Issue 8593, p. 36-37, 2p.

Morales has a lot of opponents in business-minded La Paz. The situation is, that those favoring MAS, or indigenous rights, in the East don't have any power in the region. A good example of a powerful 'anti-MAS' and capitalist political player in the Eastern region is the Comité Pro Santa Cruz (CPSC). The CPSC has played a pivotal role in making Santa Cruz's demands for autonomy a reality. The Committee can be best described as a powerful business elite. Its origins go back to the 1950s when Santa Cruz was a very small city, in the, then, economically unimportant Eastern region. At that time, the region was in desperate need of attention by the government. A group of students brought together various civic forces and created the CPSC. The first priority was to get Santa Cruz integrated into the Bolivian state, therefore it needed a road connection with Cochabamba. In January 1951, the first 'cabildo' or town hall meeting was organized. This was the beginning of a long tradition of such meetings until today to express 'Cruceño' demands (Assies, 2006)<sup>18</sup>. Its current chairman is Branko Marinkovic, a Bolivian from Croatian origin. "The paradox of wealth and a transnationalized identity make Marinkovic a perfect icon of the regionalist turn: Though regionalism revolves around claims of deeply rooted historical particularity, it also thrives on accommodations with transnational sources of wealth and power" (Gustafson, 2008). The CPSC struggle seem to have become violent over the last years. "The most notorious example is the Unión Juvenil Cruceñista (UJC). The young men's counterpart to Marinkovic's civic committee. The UJC merges violent cultural substrates linked to sports hooliganism, martial arts and youth fighting into a directed instrument to enforce civic strikes, attack peasant and pro-MAS marches, and assault disputed public institutions like tax agencies, school administrations, labor unions and water management entities" (Gustafson, 2008)

The regionalist demands started with the social uprisings at the end of the Sánchez de Lozada period. The most popular tool used by the social movements were road blockades. The 'road block' had a negative economic consequence for both social movements sympathizers and opponents. First of all, it worsened the economic instability Bolivia was suffering in the years before. Secondly, the poor indigenous people suffered most from the blockades, because basic services like medication, food and, for some important, gasoline couldn't reach them. Finally, the blockades were preventing the Eastern region to export any gas or soya beans, in the case of the 'Cruceños'. Together with the election of Morales in December 2005 was, for the first time, the direct election of the departmental governors or prefectos. The prefectos

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18 Assies, W. 'La Media Luna Sobre Bolivia: Nación, Región, Etnia y Clase Social', *América Latina Hoy*, Vol. 43, 2006, pp. 87-105.

elected in the 'media luna', all, were in favor of autonomy. Another reason why the regions are demanding autonomy is the difference between, that, what they are contributing to the state and what they receive. In the case of Bolivia's richest region, Santa Cruz, it "contributes 42 percent of the country's tax revenues but receives just 22 percent of public expenditure"<sup>19</sup> in 2007. "Although MAS has support in the East, many there feel that they produce the country's wealth which a parasitic government wants to grab. But the view of La Paz is that much of the East's wealth is ill-gotten, and its businessmen are unpatriotic"<sup>20</sup>. Moreover, what happens with public expenditure is, almost completely, decided by the central government. It appoints teachers, doctors, policemen and before 2005, also governors. But maybe the most important reason why those departments are striving for autonomy is Morales's becoming more and more an authoritarian leader. We may even speak of heading to a dictatorship. The first signs of fear were expressed when Morales became closer with Venezuelan leader Hugo Chávez, now there are also good connections with Cuba, both not world's most democratic regimes. Fear became bigger after the draft of the national Assembly. Now the Constitution is accepted by referendum, Morales has more power than ever.

All this led to the four departments held a referendum on May 4<sup>th</sup> 2008, all approved a 'yes' in the unofficial referenda. Unofficial, because the government didn't recognize them and called them illegal. "As if to confirm their judgement, the national government, felt obliged to take out full-page newspaper advertisements declaring the referendum a 'resounding failure'"<sup>21</sup>. As I mentioned a few times before, the biggest problem Bolivia faces today is ideological. On the one hand, there is the belief in capitalism, in a Westernized state with a free market and unlimited possibilities for export, in which there is no fear of being ripped off like history told the Bolivians. A state in which the amount of land depends on your wealth and not if it's fair to have it. To put it in Roberto Ruiz's words, president of the Comité Cívico of Tarija:

Bolivians have two options. One is to carry on thinking that we'll always be ripped off, so it's best not to do any deal at all in order that in 20 years' time we can enjoy the doubtful satisfaction of saying that nobody tricked us. We'll be in the same pitiful poverty, staring at ourselves like flies but, to be sure, unfleeced. The other option is to be proactive, establish clear rules and demand compliance to ensure that the black history is not repeated ... (Dunkerley, 2007).

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19 'Dreams and Realities', *Economist*, 5/20/2006, Vol. 379, Issue 8478, p. 42-42, 1/2p.

20 'A Revolution faces the voters', *Economist*, 7/1/2006, Vol. 380, Issue 8484, pp. 33-34, 2p.

21 'Battle by referendum', *Economist*, 5/10/2008, Vol. 387, Issue 8579, p.48-48, 2/5p.

On the other hand, there is the ideological part of Bolivia that rejects modernization as the globalised and Westernized world sees it. The part that admires the indigenous Wiphala flag, the flag of the seven colors of the rainbow, more than the Bolivian flag. Who believe in the state of Kollasuyo, the indigenous state, which

is founded on indigenous customs, habits and community laws, which takes as its basis the Ayllu and totally rejects the structure of Western liberal democracy that involve economic liberalism, the dominance of market laws and private property. The Ayllu is structured around a system of community life where there is no money. Barter is used and community members are looked after following the principle of solidarity (Aguirre and Moreno, 2007).

How can these different views cooperate in one and the same state? The worst part is that both ideological visions have extreme sides who are willing to fight for their believe. One is Felipe Quispe of Achacachi, in a speech, the other Branko Marinkovic, in an interview with New York Times:

Quispe:

'Rise up in arms, hunt down and judge the bosses ... burn the houses of the rich and starve out the cities that oppress and exploit us ... Only that which is native is good; the rest is rubbish'. (Dunkerley, 2007)

Marinkovic:

'A civil war would be economic suicide, giving my interests' he said, explaining that his cooking oil, Aceite Rico, is sold throughout Bolivia and that a bank in which he owns a large stake, Banco Económico, has branches across the country. 'If there is no legitimate international mediation in our crisis, there is going to be confrontation', he said. 'And unfortunately, it is going to be bloody and painful for all Bolivians'<sup>22</sup>

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22 'In Bolivia, a Croat and a Critic Is Cast in a Harsh Light', New York Times.

[http://www.nytimes.com/2008/09/27/world/americas/27bolivia.html?\\_r=1&pagewanted=all](http://www.nytimes.com/2008/09/27/world/americas/27bolivia.html?_r=1&pagewanted=all) <25-04-2009>

### **3. Why the example of the Spanish State of Autonomies could work for Bolivia**

Mentioning the regions of the 'media luna' I tried not to use the word nationalism. The reason for this is that in my opinion there still is not something like a true Tarijeño or Cruceño notion of nationalism. Main reason for this is the absence of something like a sense of being part of a nation yet. If I use the definition of Enloe and Rejal, a nation would be: "a relatively large group of people who feel that they belong together by a virtue of sharing one or more such traits as common language, religion or race, common history or tradition, common set of customs, and common destiny" (Enloe & Rejal 1969). As I argued before, the 'media luna' demanding autonomy is strictly ideological. Just like Catalonia and the Basque Country were for the Spanish state, the 'media luna' is for the Bolivian state, economically, the most developed regions. Part of the nationalistic feelings in both the Basque Country and Catalonia depended on the economic interaction between region and state. This is exactly happening with the 'media luna'. Inhabitants have to fear for their wealth, land and way of life, the regions have enough sources of income to take care of themselves and therefore don't need the state. In their vision, they are better off without being, totally, a part of the Bolivian state. This creates ideas, such as demanding autonomy.

Therefore, I believe that this could be the beginning of the development of a nationalism like the Basque one. There always existed something like a Basque history, there was a Basque identity, but it never turned into nationalistic feelings because people were satisfied with the state they were living in. This satisfaction changed over the years and therefore only one man could create the notion of a Basque nation within the Spanish state. Why wouldn't this be possible for one of the regions of the 'media luna'? Eastern people look different from those living on the Altiplano, in the nineteenth century, because of the geographical obstacles, the different Bolivian regions created their own identity, tradition can be invented and there is a common destiny, namely, to get rid off of the social movements and establish a free market democracy. Nationalist feelings are just beginning in the 'media luna'. Santa Cruz, for example, was a small town in the 1950s, now it's the economic center of Bolivia. Before there was no reason to demand something like autonomy. In contemporary Bolivia, the region feels the state is slowing down its development, and therein finds a legitimacy to demand more competence to rule over its own territory.

Catalanism, and, into a lesser degree Basque nationalism developed over at least one and a half century. In the case of Catalonia, there have been various culturalist revivals and the development of a language that differs from that of the state. Both Basque and Catalan nationalism revived after the Franco period, after a period of suppression of nationalistic feelings. Out of this dictatorship arose the understanding of the Spanish State of Autonomies, through a notion of consensus between two opposing visions. Something similar happened in Bolivia after the military 'Six Year' period. The years following the military regime have been the sole years of political stability in which political parties made pacts to be able to continue their structural reforms. In other words, through consensus. In this paper, I called the MAS government a government heading to a dictatorship. If this prediction comes true and history repeats itself than the worst part has yet to come for Bolivia. Those, who oppose the government's vision will become more extreme. A, in my opinion, good solution for the Bolivian 'ideological problem' would be to take the Spanish State of Autonomies as an example.

The Spanish State, after the Constitution of 1978, calls itself pluri-ethnic and assymetrical. To cite myself out of this paper: The pluri-ethnic and assymetrical characteristics are the consequence of the atmosphere of consensus in the beginning of the transition period. In fact, two different conceptions of Spain, which had traditionally confronted each other, were formulated. Subsequently, a middle-way was negotiated and explicitly recognized by the Constitution: the idea of an indivisible and solely Spanish nation-state, and a concept of Spain as an esemble of diverse peoples, historic nations, and regions. The reason why the Constitution cannot be considered as 'federal' is because of the principle of 'interterritorial solidarity' and explains the necessity to guarantee the integration and interrelation of the Spanis nationalities and regions. From a mundane point of view, the principle refers to the transfer of funds from the richer autonomous communities to the poorer, with the aim of attaining a minimum level of basic services state-wide with a fair and adequate distribution of the financial burden.

Although Spain still has problems in solving the 'national question', it became a stable democracy with a flourishing economy, in only thirty-four years after the death of Franco. Seven years after Spain had begun its transition to democracy, Bolivia re-democratized. A Neo-liberal government was established, an experiment which ultimately failed. Extreme leftist movements seized power, by ruling from the streets. Only three and a half years after the formation of a leftist government, a part of the right is screaming for autonomy and proclaiming illegal Statutes of Autonomy. What Bolivia needs is a 'café para todos' just like the Spaniards

did. Both ideologies have to admit some of their ideas. There should be a dialogue, just as in established democracies. Disputes should be fought in parliament and not on the streets. Media should give objective comment and not the comment the owner of the media want. To put it briefly, both ideologies should find a consensus over what is best for the country its future, if they don't Bolivia will be facing some turbulent years ahead.

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