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### **Protests Against Chilean Port Turns Violent**

by LADB Staff Category/Department: Bolivia Published: 2003-09-26

Protests have once again convulsed Bolivia, this time against government plans to export liquified natural gas (LNG) to the US, possibly through a port in Chile. The protests turned violent when a confrontation between campesinos and security forces resulted in seven deaths.

The protests began Sept. 16 with a series of strikes and roadblocks across the country to show opposition to the government plans to export LNG. The protesters blocked major roads linking the capital, La Paz, with other towns in Bolivia and also with neighboring Chile and Peru. Bolivia has 1.5 trillion cubic meters of natural gas, the largest natural-gas reserve in Latin America.

The gas deposit is in the southern department of Tarija. Bolivia is currently negotiating sales contracts for the gas with the US and Mexico. But protesters are demanding that some 250,000 homes in Bolivia be supplied with gas free before any of it is exported. On a television program on Sept. 18, President Gonzalo Sanchez de Lozada said Bolivia had enough gas for "a thousand years."

A poll by the private firm Equipos Mori released Sept. 23 showed that 55% of Bolivians oppose exporting natural gas to the US. Longstanding animosity with Chile underlies protests The consortium Pacific LNG, which includes Spain's Repsol YPF, British Gas, and the US Panamerica Gas, wants to pump and transport the gas from the Margarita fields in southern Bolivia to the Pacific Coast for export to Mexico and the US.

But the project is stalled because the Bolivian government has not decided whether it will be exported from the Chilean port of Patillos or the Peruvian port of Ilo. The project means an investment of close to US\$6 billion, of which US\$2.5 billion would be for the port, where a liquification plant would be built as well. For several reasons, including costs, technical feasibility, and political stability, the Chilean option has the advantage.

Chile would also buy part of Bolivia's gas for local consumption. The possibility of a deal with Chile was the trigger for the latest unrest. Bolivia lost its access to the sea to Chile in the War of the Pacific (1879-1884), the cause, many Bolivians believe, of the extreme poverty that affects 70% of Bolivians. Although the two countries have extensive commercial ties, they do not have diplomatic relations.

On Aug. 15, de Lozada recognized the "historic resistance" that the sale of gas has surfaced. "There is a resistance for historic reasons to a plan in which the gas would leave through a Chilean port. We would like it to leave through Peru, but sometimes reality is what determines what happens."

A final decision on the port which had been originally set for June 2002 will be made by the end of the year after hearing citizens' concerns, the government said. But since Sanchez de Lozada took office in August 2002, the final decision has been postponed several times.



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Chile has said it would grant a 99-year lease on a strip of land extending from Bolivia to the coast, in which Bolivian laws would be in force for labor, tax, and social security issues. But Chile has flatly refused to consider conceding sovereignty over the territory to Bolivia. It has refused to review the Tri-national Treaty of 1904, which established the current borders.

While public opinion in Bolivia is dead-set against an agreement with Chile, Pacific LNG has repeatedly said that if a Chilean port is not chosen, the pipeline project is off. It has flatly ruled out the alternative of a port in Peru. The Bolivian government says it will make the final decision.

#### Protests paralyze much of the country

The cities most affected by the protests have been La Paz, neighboring El Alto, Cochabamba, and Oruro. The road from La Paz to Lake Titicaca was closed by supporters of the Confederacion Sindical Unica de Trabajadores Campesinos de Bolivia (CSUTCB), as was the road to the Yungas.

During the night of Sept. 17, 27 people were arrested in disturbances in El Alto during which windows were broken and other property damage done, said Interior Minister Yerko Kukoc. Deputy Evo Morales, who heads the Movimiento al Socialismo (MAS), led a protest by 20,000 people in Cochabamba on Sept. 19. Morales said the people were waging a "war for gas and for coca," against the government and the multinational corporations.

The protests turned deadly on Sept. 21 in the Andean community of Warisata, 148 km west of La Paz. The deaths occurred when a combined force of soldiers and police sent by the government to escort a group of travelers who had been stranded for five days in Sorata in the Bolivian highlands clashed with demonstrators at a roadblock. The seven dead included a woman, an eight-year-old child, and two soldiers.

Morales blamed the deaths on Defense Minister Carlos Sanchez Berzain and said his party was calling for the resignation of the interior and defense ministers. "If the government's only answer to the campesinos' grievances is the heavy hand of the state, they need to think carefully about who's conducting policy," he said. The arrogant and contemptuous attitude of some ministers toward the people was provoking indignation that could be "very dangerous," he said.

Government spokesman Mauricio Antezana said Sanchez de Lozada had ordered "the rescue operation for humanitarian, legal, and moral reasons." The government said no traveler was harmed. US Ambassador Richard Greenlee said the group included 11 US tourists. International bus services were cancelled after anti- Chilean protesters broke windows and injured a passenger on a Chilean bus. All bus companies in the northern Chilean city of Arica have canceled crossborder services to La Paz. On Sept. 22, the government was forced to cancel a series of informational meetings to promote the gas deal and explain its benefits for the country.

#### MAS forms coalition



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Antezana said Morales was using the gas-export issue as a political banner to destabilize the government. Many campesino and worker unions joined the MAS in a newly formed group, the Coordinadora por la Defensa del Gas, to bring together all groups opposing the gas deal.

"There will be civil war and the government won't last 24 hours if it decides to export the gas through Chile," said Morales as quoted in the Chilean newspaper El Mercurio. He also said an alternative route through Peru wasn't an option. "We've taken the decision that the gas won't be exported through a Chilean port nor through Peru, and that it should be industrialized in the country so that its benefits can reach all Bolivians," Morales said.

Morales has called for rescinding the fossil-fuel exploitation law (Ley de Hidrocarburos) and reviewing the private gas concessions. He says that the existing law leaves the Bolivian state with too small a share of the benefits. He said the legislation should be amended to give the state 50% in royalties rather than the 18% currently paid by the foreign oil companies.

#### Catholic hierarchy calls for dialogue

The Catholic Church in Bolivia has called on the nation's political parties and the government to try to find agreement on basic issues. Last July, the Conferencia Episcopal Boliviana (CEB) presented a proposal, Para el Reencuentro Nacional, which was the product of consultations among various political and civic groups following the violence in February that took 31 lives and left 200 wounded (see NotiSur, 2003-02- 07).

On Sept. 22, the four parties of the governing coalition signed on to the "national unity" document drawn up by the CEB. It was signed by the president, Jaime Paz Zamora, Johnny Fernandez Saucedo, and Manfred Reyes Villa, leaders of the Movimiento de la Izquierda Revolucionaria (MIR), la Unidad Civica Solidaridad (UCS), and the Nueva Fuerza Republicana (NFR), respectively. The text contains numerous government commitments regarding issues of national interest, including the sale of natural gas.

The executive branch pledged to produce within 90 days an energy strategy that would provide added value to the natural gas and would involve consultations with the Bolivian people. Morales dismissed the government's call for a public consultation. "There is nothing about which to consult. The best consultation is this [the protest]. At least a million Bolivians have made known their opposition to the sale of gas under these conditions."

The government asked Deputy Felipe Quispe "El Mallku," leader of the CSUTCB, to meet to discuss protesters' demands, but Quispe said that he wanted to meet in Warisata, which was unacceptable to the government. Quispe says the CSUTCB will not resume talks with the government until it withdraws the "repressive forces" that are still in the towns. Although the military and police were working to clear the roads, the highway from La Paz to Copacabana, which connects to Peru, remained closed on Sept. 23, as did the route from La Paz to Oruro, which connects to Chile.

Quispe said the protests would continue "for as long as necessary" and until the government "demonstrates a real willingness to dialogue."



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