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LADB Staff

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Bolivia Hosts Iberia-american Summit

by LADB Staff

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Less than one month after widespread protests forced the resignation of its president, Bolivia hosted the XIII Ibero- American Summit Nov. 14-15 in Santa Cruz de la Sierra. The tensions regarding the upcoming Free Trade Area of the Americas (FTAA) meeting in Miami were evident during the summit, and opposition to the FTAA figured prominently in a report presented to the leaders from participants at the Encuentro Social Alternativo, held at the same time.

The 21 countries have met yearly since 1991 to strengthen economic and cultural ties among Spain, Portugal, and their former colonies in Latin America. The leaders were aware of the widespread disillusionment in Latin America regarding US- backed free-market policies that many countries implemented during the last decade, as well as the other persistent problems like corruption and growing social inequality.

A recent regionwide survey identified perceptions of inequality and institutional corruption as the two primary reasons for receding confidence in democracies. The widespread discontent in the region has resulted in dramatic changes in the governments in Brazil and Argentina, and in the grassroots support that led to the election of Venezuelan President Hugo Chavez.

The theme of the summit, "Social Inclusion as the Engine of Development," referred to the need to implement development policies that benefit indigenous communities and other marginalized sectors of the populations of the Ibero-American nations as a means of preventing social unrest.

Bolivia is considered an example of how extreme poverty and social exclusion can threaten democratic institutions. More than 70% of its 8.2 million inhabitants live in poverty and 30% are indigent. And 13% of the economically active population (EAP) is unemployed. Gonzalo Sanchez de Lozada, then president of Bolivia, fled the country for Miami in October after a revolt by workers, Indians, campesinos, and coca farmers.

At least 70 people were killed in the protests, which also resulted in millions of dollars in damages. Although many issues led to the protests, demonstrators focused on opposing the government's plan to export natural gas to the US and Mexico through Chile (see NotiSur, 2003-10-17, 2003-10-24).

President Carlos Mesa, the former vice president who took office Oct. 17 after Sanchez de Lozada resigned, has promised to convoke a referendum to ask whether Bolivia's natural gas should be exported and, if so, from what country. The gas is being exploited by a consortium that includes Repsol YPF, British Gas, and British Petroleum.

Protest leaders, including Deputies Evo Morales of the Movimiento al Socialismo (Mas) and Felipe Quispe of the Movimiento Indigena Pachakuti, also secured Mesa's promise to reform the energy

law (Ley de Hidrocarburos) to increase the 18% royalty the country receives from the foreign companies. Because of the chaotic events in Bolivia, there was some question about the country hosting the meeting, but President Mesa said almost immediately that the summit would go on as scheduled. It is the first time the summit has taken place in Bolivia.

Many Santa Cruz residents expressed their disdain for the meeting, saying it was a waste of money and other resources. "That summit is only for the high-rollers, for the presidents to come and eat and promise what they cannot do get us out of misery," said Mariana Reyes, who recently lost her job at the telephone company.

Report from Encuentro to summit

On the first day of the summit, in an event put on the agenda at the last minute, Aymara leader Carlos Eduardo Medina presented the leaders with a 13-point report from the grassroots meeting Encuentro Social Alternativo, which was being held in a soccer stadium in Santa Cruz to ensure that social issues were not overlooked at the summit. Medina called on the leaders to listen to the voices of the continent's dispossessed. He said the largely Indian gathering was angry that their communities have been ignored by the ruling elites. He said they strongly oppose the FTAA and the neoliberal economic model, which, he said, has only brought more poverty and exclusion. He warned the international community that to continue with neoliberalism could bring disastrous consequences. "These are the policies that we believe in, and we want you all to be aware of that," said Medina. "This deal [the FTAA] will be the economic and environmental ruin of the region."

Meeting supports new Bolivian government

Ahead of the summit's opening, foreign ministers met to discuss the wording of a final declaration that would later be approved by the presidents and prime ministers. As host of the summit, Bolivia put poverty and unrest at the top of the agenda. "Despite our attempts to build something for all, exclusion, intolerance, and discrimination are still the order of the day," said President Mesa.

Delegates discussed poverty, drug-trafficking, the environment, education, terrorism, new technology, and women's affairs. Trade was also on the official and unofficial agendas as regional negotiators prepared for the FTAA meeting in Miami.

UN Secretary-General Kofi Annan, in South America on a four-nation tour that included stops in Chile, Ecuador, and Peru, attended the summit. He urged world support to bolster what he called the "vulnerable" democracies of the region. "It is clear to me that the challenges facing the region need deep and sustained attention," said Annan. "This visit is a sign of my intention to pay greater attention to this region."

Annan called for international leaders to help Latin American countries ease heavy debt burdens now saddling many stagnant economies, saying that "these countries need some breathing space." Annan warned leaders about future difficulties, saying, "If you do not succeed in tackling deep social problems, some may be tempted to turn their back on the global market."

The UN secretary-general said that the leaders could not isolate their countries from the world economy and that reducing trade barriers over the past 20 years had cut inflation, increased exports, and attracted foreign investment. "But they have not, for the most part, delivered the improvement in your people's lives for which they hoped."

Meeting creates new structure

The meeting produced the 45-point Declaracion de Santa Cruz, with 14 additional communiques that included a call for Argentina and the United Kingdom to resume negotiations regarding the dispute on the sovereignty of the Malvinas/Falklands; a call for Spain to take to the European Union (EU) the group's concerns about agriculture subsidies and their negative effects on the countries of Latin America; and concern about the dangers to their countries from ship transport of toxic materials.

The final declaration echoed President Mesa's opening words, saying, "Economic reforms did not diminish inequality and social exclusion and in some cases worsened the situation." In the declaration, the Ibero-American leaders backed Mesa's efforts to end social exclusion in Bolivia and strengthen democracy and the state of law. The leaders also approved the creation of a permanent secretariat, a possible first step toward recasting the summit along the lines of the British Commonwealth.

"It is good news for the Ibero-American summits," said Spanish Prime Minister Jose Maria Aznar, who wants future summits to mirror the Commonwealth. The proposal for a permanent secretariat was made by former Brazilian President Fernando Henrique Cardoso (1995- 2003) at last year's summit in the Dominican Republic. The proposal initially was rejected by several countries, including Cuba, Mexico, Venezuela, and the Dominican Republic, which were in favor of waiting a year before making a decision.

Several countries said the proposal would duplicate functions of other regional forums, increase costs, and create a bureaucratic structure that could make decision making more cumbersome.

"Some countries are distrustful of the notion that an international body has a voice and vote to take decisions in their name in the international arena," said Bolivia's Minister of Foreign Relations Juan Ignacio Siles. The purpose of the secretariat will be to follow up on agreements adopted at the meetings.

Press reports said Spain had agreed to provide 80% of the funding for the Ibero- American secretariat, whose headquarters will be in Madrid in the present site of the Secretaria de Cooperacion Iberoamericana. The first secretary general will be chosen at the next summit in Costa Rica in 2004. The members of the Ibero-American Community are: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Portugal, Spain, Uruguay, and Venezuela.

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