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Bolivian Leader Evo Morales Cleared to Run Again in 2019

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Even though the Constitution doesn’t allow it, and a majority (51.3%) of voters in a 2016 referendum voted against it (NotiSur, March 11, 2016), Bolivian President Evo Morales now has permission to seek a fourth term in the 2019 elections.

The surprising decision came from the country’s constitutional authority, the Tribunal Constitucional Plurinacional (TCP), which accepted arguments by the governing Movimiento al Socialismo (Movement Toward Socialism, MAS) party and dozens of civil society and labor groups to the effect that the plebiscite, on Feb. 21, 2016, was tainted by a “smear campaign” aimed at damaging the president’s image and swaying voters to reject the reelection option.

The campaign, which included allegations that Morales had fathered and abandoned an illegitimate child (NotiSur, June 17, 2016), was shown to be part of an operation mounted by the opposition, press outlets, and foreign intelligence agencies. The TCP ruled, therefore, to repair the damage caused. It also argued in its Nov. 28 decision that “electing and being elected freely in elections is a human right … that takes precedence over the Constitution’s term limits.” The ruling applies to all elected officials at the national, departmental, and municipal level, 4004 people in total.

The TCP ruling wasn’t just unexpected, it was also quite inopportune, given that it came just four days before elections were held on Dec. 3 to choose 26 top-level judges (a process unique to Bolivia). Among those elected were members of the TCP itself. The opposition, which had fought the process, added the TCP decision to its lists of grievances, calling it a mockery of the popular will expressed in the Feb. 21 referendum, to paraphrase Samuel Doria Medina, a leading conservative figure and former presidential candidate.

Government opponents, making their voices heard with an active social media campaign, boycotted the Dec. 3 elections. In contrast, groups of experts sent from the Organization of American States (OAS), the Union of South American Nations (USAN), the Association of World Election Bodies (A-WEB), and the Unión Interamericana de Organismos Electorales (Inter-American Union of Electoral Bodies, UNIORE) praised the process, highlighting the originality of the Bolivian model.

‘Bolivian miracle’

As the political right was launching its campaign to discredit the judicial elections——nine judges for the Tribunal Supremo de Justicia (Supreme Court); nine for the TCP; five for the court concerned with agricultural and environmental issues, the Tribunal Agroambiental; and three for the Consejo de la Magistratura (Council of Magistrates)—the British news service BBC Mundo published an extensive and complimentary report on Oct. 25 titled “Bolivia: 3 claves del éxito económico del país que más crece en América del Sur” (Bolivia: Three Keys to the Economic Success of South America’s Fastest Growing Country).

Pro-government analysts, who hailed the article’s publication, praised the report’s objectivity, one they called unusual for the national press, which is mostly identified with the opposition.
What some call the “Bolivian economic miracle” took shape, journalist Cecilia Barría explained, under the leadership of Morales, whose government’s management style, from a political perspective, is characterized by inclusive reforms and has earned praise from international and local experts alike.

Over the past decade, the article noted, the Bolivian economy has grown approximately 5% annually, well above the average rate in South America and the US. Last year, it was tops in South America, with 4.3% growth, outpacing Paraguay (4.1%), and Peru (4%), according to the International Monetary Fund (IMF). Colombia grew 2%, followed by Chile (1.6%) and Uruguay (1.5%), while other South American countries had negative growth numbers.

“Bolivia’s performance was very strong in comparison with the US, which grew by just 1.5%, and Latin America as a whole, which contracted by 0.9%,” the BBC Mundo piece noted. What, then, is the secret to that success? As the title to Barría’s article suggests, there are three factors at work.

**The right recipe**

Hydrocarbons: Shortly after taking power in 2006, Morales and his MAS-led government nationalized Bolivia’s hydrocarbons (oil and natural gas resources), launching a new stage in the Bolivian economy that in some cases involved state acquisition of private companies and in others the renegotiation of contracts with foreign companies that continue doing business in the country (NotiSur, Nov. 17, 2006).

A dozen multinationals signed new contracts with the state-run Yacimientos Petrolíferos Fiscales Bolivianos (YPFB) agreeing, among other things, to pay taxes and royalties of between 50% and 85%. “By changing the tax policy, they considerably increased state revenue,” Luis Pablo Cuba, who teaches at the Universidad Mayor de San Simón (Cochabamba), told the publication.

That revenue bump was accompanied by increased public investments and implementation of a development model based on domestic demand, the article explained. “I think the nationalization and the direct tax of hydrocarbons were some of the principal elements that explain the high economic growth,” Cuba added.

Savings: “In the last 14 years, growth has been spurred principally by the commodities boom, revenue from increased taxes, significant public investments, and high social spending,” a source from the IMF told BBC Mundo. Why the IMF source’s analysis focused on 14 years, rather than the 11 years since Morales arrived, isn’t clear, given that social spending and public investment were not priorities during the three years Morales’ predecessor, Carlos Mesa (2003-2005), was in power.

During the commodities boom (in the Morales era), Bolivia’s poverty numbers fell by 24 percentage points, and the authorities “wisely saved a portion of their revenue, building up a sizeable financial cushion,” the IMF source explained. The cushion grew from US$700 million to US$20 billion, and helped soften the blow for Bolivia when commodities prices fell starting in 2014, the BBC Mundo article explained. The country’s growth numbers have decreased since then, but are still higher than those of its neighbors. Bolivia grew 5.4% in 2014, 4.9% in 2015 and 4.3% in 2016.

Stability: The BBC Mundo article cited both IMF experts and local analysts to argue that the Bolivian economy has also benefited from political stability. Between 2001 and 2005, in a period of marked conflict and polarization, Bolivia had five presidents. At the start of his own tenure, Morales faced off against political adversaries entrenched in the country’s wealthiest regions and he grappled with
an openly secessionist movement in the east. But as poverty numbers decreased (from 63% of the population to 39%) and income distribution improved—Bolivia went from being the most unequal country in South America to having average numbers—so, too, did political stability.

Seeking sea access

The improved economic and social situation it created during 11 years in power has translated into political success for the Morales administration. But in its bid to win again in 2019 and thus stay on until 2025, when Bolivia marks the bicentennial of its independence, the Morales government is banking on another accomplishment: gaining sovereign ocean access.

Bolivia has been landlocked since the late 19th century, when it lost 400 km of coastline to Chile in the bloody War of the Pacific (1879-1883). The long quest to recover ocean access has always had universal support in Bolivia, and could soon be settled (by the end of 2018) by the International Court of Justice (ICJ) in The Hague (NotiSur, July 28, 2017). Starting in February, the ICJ will announce a timeline for final hearings on the issue. From there, it is expected to issue a definitive ruling within four to six months.

In the meantime, the Morales government is pushing hard for a cross-continental railroad line that would run from the Brazilian port of Santos, on the Atlantic Ocean, to Ilo, on Peru’s Pacific coast, and traverse Bolivia (NotiSur, Oct. 6, 2017). The train would give Bolivia the ocean access it so desires, making its exports more competitive while lowering the cost of imports, and Morales would be the leader who finally made it happen.

With that in mind, his government ended the year by settling certain aspects of the project with Brazil, where Morales flew this month to meet President Michel Temer. Earlier in the year, the administration signed a technical assistance accord with the governments of Germany and Austria. And in mid-December, Morales traveled to Europe to discuss the project with Swiss leader Doris Leuthard and French President Emmanuel Macron. He’ll later meet with officials from Great Britain. Prime Minister Theresa May has already expressed her country’s interest in the project, which is expected to cost between US$10 billion and US$14 billion.

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