Denis Lucy Avilés Irahola

POPULAR PARTICIPATION, DECENTRALISATION, AND LOCAL POWER RELATIONS IN BOLIVIA

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ACCRONYMS AND ABBREVIATIONS

ACLO. *Acción Cultural Loyola* (NGO).
ADN. *Acción Democrática Nacionalista* (Political party).
APG. *Asamblea del Pueblo Guaraní*. Assembly of Guaraní People.
APROFMI . *Asociación de Productores de Maíz, Ají y Maní*. Association of Producers of Maize, Red Pepper and Peanuts.
ASEO. *Asociación Ecológica del Oriente* (NGO).
ASOPROF. *Asociación de Productores de Frejol*. Association of Producers of Frejol.
ATICA. *Programa Agua Tierra Campesina* (NGO).
CARE. *CARE Bolivia* (NGO).
CARITAS. *Caridades Católicas* (NGO).
CC. *Comité Cívico*. Civic Committee.
CCCH. *Consejo de Capitanes Guaraníes de Chuquisaca*. Council of Guaraní Captains of Chuquisaca.
CEDEC. *Centro de Estudios para el Desarrollo de Chuquisaca* (NGO).
CEPAD. *Centro para la Participación y el Desarrollo Humano Sostenible* (NGO).
CEPAL. *Comisión Económica para América Latina y el Caribe*. Economic Commission for Latin America and the Caribbean.
CICDA. *Centro Internacional de Cooperación para el Desarrollo Agrícola* (NGO).
CIDOB. *Confederación Indígena del Oriente y Chaco Boliviano*. Indigenous Confederation of the Bolivian East and Chaco.
CIES. *Centro de Investigación, Educación y Servicios* (NGO).
CIES. *CIES-Salud Reproductiva* (NGO)
CIPCA . *Centro de Investigación y Promoción Campesina* (NGO).
CNRA. *Consejo Nacional de Reforma Agraria*. National Council of Agrarian Reform.
COB. *Confederación Obrera Boliviana*. Confederation of Bolivian Workers.
CODEPES. *Concejo de Desarrollo Productivo y Social*. Council of Productive, Economic and Social Development.
CONDEPA. *Conciencia de Patria* (Political party).
CORDECH. *Corporación Regional de Desarrollo de Chuquisaca*. Regional Development Corporation of Chuquisaca.
CORDES. *Corporaciones de Desarrollo*. Development Corporations.
CCOSV. Comitato di Coordinamento delle Organizzatzioni per il Servizio (International Cooperation Agency).
CSUTCB. *Confederación Sindical Única de Trabajadores Campesinos de Bolivia*. Confederation of Bolivian Peasant Workers.
DUF. *Directorio Único de Fondos*. Unique Directory of Funds.
FADES. *Fundación para alternativas de desarrollo* (Financial NGO).
FAO. Food and Agriculture Organisation of the United Nations.
FEDEAGRO. *Federación de Asociaciones Agropecuarias de las Provincias Siles-Calvo y Tomina*.
FNDR. *Fondo Nacional de Desarrollo Regional*. National Fund of Regional Development.
FPS. *Fondo de Inversión Productiva y Social*. Fund of Productive and Social Investment.

FSB. *Falange Socialista Boliviana* (Political party).

Fundación TIERRA. *Fundación Taller de Iniciativas de Estudios Rurales y Reforma Agraria* (NGO).

INC. *Instituto Nacional de Colonización*. National Institute of Colonisation.

INE. *Instituto Nacional de Estadística*. National Institute of Statistics.

KADASTER. *Catastro Rural Legal para el Departamento de Chuquisaca*.

LDA. *Ley de Descentralización Administrativa*. Law of Administrative Decentralisation.

LND. *Ley del Diálogo Nacional 2000*. Law of National Dialogue 2000.

LPP. Ley de Participación Popular. Law of Popular Participation.

MAS. *Movimiento al Socialismo* (Political party).

MBL. *Movimiento Bolivia Libre* (Political party).

MG. *Gobierno Municipal*. Municipal Government.

MIR. *Movimiento de Izquierda Revolucionaria* (Political party).

MNR. *Movimiento Nacionalista Revolucionario* (Political party).

TBO. *Organización Territorial de Base*. Territorial Base Organisation.

PADEM. *Programa de Apoyo a la Democracia Municipal*. Supporting Program for Municipal Democracy.

PADER. *Proyecto de Promoción al Desarrollo Económico Rural*. Project of Rural Economic Development Promotion.

PDM. *Plan de Desarrollo Municipal*. Municipal Development Plan.

PLAFOR. *Plan Agroforestal Chuquisaca Norte y Centro*. (NGO)

POA. *Plan Operativo Anual*. Municipal Annual Operative Plan.

PROAGRO. *Promotores Agropecuarios* (NGO).

PRODECO. *Proyecto de Desarrollo Comunitario*.

PROINPA. *Fundación para la promoción e investigación de productos andinos*.

SAP. Structural Adjustment Program.

SNPP. *Secretaría Nacional de Participación Popular*. National Secretary of Popular Participation.

UCS. *Unión Cívica Solidaridad* (Political party).

UNICEF. The United Nations Children’s Fund.

UDAPE. *Unidad de Análisis de Políticas Sociales y Económicas*. Unit of Social and Economic Policy Analysis.

VC. *Comité de Vigilancia*. Vigilance Committee.

CHAPTER 1: INTRODUCTION

1.1 Background and relevance of the study

The framework of this study is the process of decentralisation in Bolivia, initiated since the passing of the Laws of Popular Participation (LPP, 1994) and Administrative Decentralisation (LDA, 1995). Two international and local actors spawned the debate over this process. Firstly, the international funds institutions promoted drastic economic and political reforms in Bolivia since the middle 1980s as they did in most Latin American countries. These reforms implied stepping aside of the traditional model of a centralist state, its administrative inefficiencies, and concentration of power. Secondly, the national actors in regional peripheries along with specific interest groups (unions, women, professionals, and others) demanded more autonomy and participation in the decision-making processes of local development.

As a result, and unlike other countries, Bolivia implemented the process of decentralisation starting with the Law of Popular Participation in 1994. This was an ambitious initiative to include four key changes in the country's political and administrative system. First, it brought the political party system closer to historically marginalized social groups by establishing local elections.[1] Second, it reformulated the municipal governments' responsibilities so as to cover not only urban but also rural areas. Third, it reformed public expenditure by distributing automatically 20 percent of the state central tax revenues on a per capita basis among the 314 municipalities (co-participation resources). And fourth, it encouraged peoples' participation in local development by involving them in the planning, implementation, and monitoring of municipal projects.

The Popular Participation Law became the most widely accepted law within the country.[2] The visible changes in the political participation of the majority indigenous population partly explain the legitimacy of the law. The 1995 and 1999 elections brought between 20 and 25 percent of indigenous people into office in the municipal governments (MG), when before were almost none.[3] At the same time, the scale of consultation and information sharing taking place in rural areas was unprecedented. Furthermore, along with the co-participation resources, international projects and external funds started flowing through municipal channels, giving solid economic support to the process.[4]

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[1] Universal suffrage not based on literacy or property qualifications was introduced in Bolivia only after the 1952 revolution. The Popular Participation Law introduced a formal opportunity for voting on local elections, additionally to the already established national elections. National and local elections take place every five years with each election occurring two and a half years after the other.

[2] According to Rojas (2002: 22), a national inquiry in 1996 showed higher legitimacy of municipal spaces compared to other levels: 45 percent of people strongly support the LPP and 37 percent slightly support it. Rojas also notes that three other

So far, the major advances of the decentralisation process can be seen in two domains: the strengthening of local democracy and political participation, and the construction of locally planned urban infrastructure, roads, and public service buildings. Despite these advances, some studies point out the many gaps remaining in the application of the LPP and LDA regarding peoples' interests and inclusion, particularly those of indigenous and peasants populations (see for example Ströbele-Gregor, 1999; Calla, 1999; Albó and CIPCA, 1999). The application of the LPP and LDA has also been insufficient in strengthening peoples' income and their local productive capacities (Urioste, 2001) even though demands on productive projects remain high.[5] Both the persistent marginalisation of indigenous and peasant populations by the established mechanisms of representation (mainly in the higher echelons of the political party system) and the decline of living conditions, which the decentralisation process contributes to reverse, constituted the main grievances behind the socio-political unrest of past years.[6]

Social, political, and administrative conditions constrain the potential of the decentralisation process to bring power closer to the people, to respond more effectively to citizen desires, and to improve service delivery. A review of the literature points mainly to the lack of experience in financial and technical handling of projects at the local level, the lack of coherence between regional and local plans, weak economic and human resources and poor infrastructure, and the resistance of both the central governments and the regional dominant groups to give up power. The present study focuses on the social and political conditions that contribute to either expanding or obstructing peoples' participation and empowerment. The importance of local power dynamics is emphasised because it leads to the

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surveys (PNUD, ILIS, 1996; USAID, 1998; and CNE, PRONAGOB, 1999). establish a clear difference between national and municipal realms in favor of the latter because people feel more represented there.

[3] More than 464 indigenous authorities were elected in 1995 and more than 500 in 1999 (Ayo, 2003: 141).

[4] The largest amount comes from the initiative of a group of lender countries towards Highly Indebted Poor Countries (HIPC). This initiative and its main instrument, the Dialogue 2000, ended up with the passing of the "Law of National Dialogue 2000" which assigned resources to the health, education and productive sectors through municipal governments.

[5] In a survey of all municipalities in the first three years of the elaboration of the municipal development plans, Nuñez del Prado (2001: 80) found that between 47 to 65 percent of the demands were related to economic productivity, 17 to 47 percent were demands in the social sector, and 5 percent in urbanism and housing.

explicit and implicit exclusion of groups with less capacity to link policy interventions[7] (i.e. LPP and LDA) into their own life worlds. As Harriss (2000: 9) points out: "In practice democratic forms of government, involving the accountability of the executive to an assembly of representatives elected through free, open elections, in the context of freedom of expression and association, can never eliminate altogether the significance of differences of wealth, power and status in society." These differences give place to negotiations, confrontations, and exclusions that shape the outcomes of the democratic decentralisation processes. This is especially the case in hierarchical societies, such as in Bolivia, which are built upon unresolved ethnic, gender, and regional discriminations.

Studies on power relation in the context of the decentralisation process in Bolivia are few despite that some researchers consider it as one of the most successful examples of democratic decentralisation in the continent and beyond.[8] Therefore, the stage that the LPP and LDA set up for resseting the power dynamics in municipal governments is ideal for studying the interplay among actors with different power and status. This study concentrates on how local actors reshape the multiple dimensions of social relations and struggle over positions of power at the local level. It distinguishes itself from prior studies on decentralisation in Bolivia mainly because the few other studies that approach the theme from a power relations' perspective are not comparative but focus on single regions or groups such as the Quechua or Aymara communities. Among them are the studies of Rojas et al (2000) and Albó and CIPCA (1999). The former focuses his study on local elites in the eastern department of Beni, highlighting the paternalistic, patrimonial, and clientelist dominant relations of its conservative society, along with the possibilities of more democratic scenaries. Based on a wide set of questionnaires, Albó and CIPCA analysed the general characteristics of indigenous peasants' participation in 80 municipal governments between 1995 and 1999. Both studies give important insights on how local actors

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[6] For a description of the last Bolivian riots, see section 3.7.

[7] Throughout this work, I use the word "intervention" as used by Long (2001: 248) to refer to "institutional forms of intervention involving the setting up of development projects or coordinated programmes of development." It implies to put in practice normative conceptions on how to achieve particular goals.

[8] For example, Jütting et al (2004: 12) classify the Bolivian case of decentralisation along with cases from Philippines and India (West Bengal) as the most "positive" among 19 country study cases of decentralisation. Hadenius (2003: 8) calls the case of Bolivia as "the most-far reaching programme of decentralisation" when compared to the cases of India and South Africa while Bardhan (2002: 20) refers to its outcomes as the "less well known but quite dramatic success of the post-1994 decentralization initiative in Bolivia." The achievements on citizen participation and decentralisation in Bolivia gave place to an agreement between the Organisation of the American States (OAS) and the Bolivian State in order for the latter to supervise other interamerican countries and spread the "Bolivian Model of Decentralisation" at an international level (Ministerio de Desarrollo Humano y Participación Popular, 1997: 14).

organise new responses on their particular socio-political environment, but do not aim to explain how these responses differ from others on different socio-political sets.

Comparative country studies on decentralisation, including Bolivia, are available but fail to give insights into what decentralisation intervention means on daily lives and how local power transformations take place. Among them are the studies of Blair (2000), Rowland (2001), Willis et al (1999) and, more recently, Jütting et al (2004).[9] These studies are broad based, offering relevant analysis on cornerstones and formation of different decentralisation models and their functioning, but most of them do not pay attention to socio-political variables and instead approach the topic of decentralisation from the point of view of fiscal descentralisation, pro-poor policies, size of municipalities, and others.

A study comparable to mine is that of Nijenhuis (2002), which discusses the case of six municipalities also in the department of Chuquisaca in Bolivia. Her study analyses the contribution of institutional, spatial, and socio-economic contexts to local governance and development within the decentralisation process. Nijenhuis concludes that institutional factors, especially the presence of NGOs, the power structure, and the role of political parties are more relevant than spatial and socio-economic factors. Although my study focuses not on local governance and development but on the transformation of power relations, her conclusion stresses the importance for my study to analyse how and through which mechanisms the power structure, including the role of political parties and the presence of NGOs, determines the outcomes of the decentralisation process.

My study concentrates in detail on the transformation of power relations and the role of actors and organisations in this transformation in eight municipalities with different socio-political complexity. In that way, it contributes to the almost non-existent body of comparative studies on power transformation in Bolivia after the application of the decentralisation policies. It also aims to contribute to the academic discussion of the relationship between local power structures and the outcomes of the decentralisation and popular participation policies.

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[9] The institutional comparative analysis on indigenous politics and democracy in Latin America carried out by Yashar (1997) may also be included.

1.2 Objective and main definitions

The general objective of this study is to compare the changes in power relations between high and low socio-politically differentiated municipalities after decentralisation interventions. In spite of a common history as a nation, Bolivian regions developed different social structures as a result of the original composition of the native population, geographical characteristics, colonisation processes, state policies and the actions of their population themselves. Therefore, the extensive variety of social structures of Bolivian municipalities allows a comparative analysis between municipalities with different degrees of social differentiation, under a common set of legal and bureaucratic rules and arrangements.

As this study deals with the configuration of power relations, it is important to define power relations as it appears in the present discussion. In this study, power relations refer to the set of social relations that determine both domination and subordination positions in three dimensions: representation, influence over decisions that affect the entire municipal population, and control over local government's performance.

The terms high and low differentiated municipalities refer to the classification of the municipalities according to their socio-cultural and socio-economic diversity and political party preferences (see section 1.4). These three sets of characteristics, developed in section 1.4, are used to classify the eight municipalities under study.[10]

1.3 Research questions and assumptions

The passing of the LPP and LDA implied the application of a set of policy interventions. As such, it is important to recognise the concept of "intervention" as "an ongoing, socially constructed and negotiated process, not simply the execution of an already-specified plan of action, with expected outcomes" (Long, 2001: 31). Therefore, the central research question of this study is *How do local actors from high and low differentiated municipalities re-create dynamics of power relations in the framework of the LPP and LDA interventions?* To answer this question, I pose the following four secondary research questions:

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[10] The study of social structures formally pays attention to differences in class, race, gender, and ethnicity as interrelated categories of analysis. Other authors also include aspects such as generational layers, religion, cast, occupation, and even the use of territorial space (Paulson, 1999) according to the relevance of these variables on the studied subject. As a

1. How did the dynamics of local representation change after the decentralisation process started?

2. To what extent did people gain influence on local decisions and the planning process?

3. To what extent do people exert control over the processes established by the LPP and LDA?

4. What are the main threats to reach the main objectives of the LPP and LDA in terms of democratic participation?

The main assumption of this study is that the application of the same decentralisation policies in different social contexts in Bolivia results in different allocations of power depending on the pre-existing local social structures.[11] This assumption draws on two complementary claims. The first one, developed in detail from the actor oriented approach (see Long, 2001), maintains that social actors possess the knowledge and capability to assess problematic situations and organise 'appropriate' responses. As such, social actors are not just passive subjects of central normative and development interventions. A second claim of the assumption implies that 'history matters' and that real constraints and possibilities are built up over time. Critical junctures or historical events claimed as "transitions that establish certain directions of change and foreclose others in a way that shapes politics for years to come" (Collier and Collier, 2002: 27) play a role in defining these constraints and possibilities. In other words, this research aims to identify the historical events and on-going mechanisms that influence the current power configurations while at the same time avoiding the reification of policies and historical events as predeterminers of people's actions and choices. This point is further elaborated in section 1.5.

The following three more specific assumptions derive from the main one:

1.Striving for maximum benefits from decentralisation interventions, local actors are changing their bargaining power and roles, bringing about:

* The co-optation of power by already established powerful groups in high differentiated municipalities. This occurs due to a greater capacity for powerful groups to maneouvre and the fragmented set of interests among different social groups.

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consequence, there is not a totally agreed definition of social structure. In general terms, it is assumed as the differentiation of social groups by specific social variables.

* The emergence of a politically powerful group responsive to most people in low differentiated municipalities due to the cohesion of similar socio-cultural groups around less differentiated set of interests.

This means that implementing decentralisaton policies in high differentiated socio-political structures generates opportunities for local elites to enhance their power, because different social groups structured in different layers of status and interests find more difficulty in organising and agreeing on common interests. More homogeneous groups in less differentiated municipalities, however, may demand responses from groups in power with greater capacity.

2. The presence of highly educated people in high differentiated municipalities make those municipalities more efficient in applying and taking advantage of the norms that regulate the decentralisation process, but the benefits that accrue from this process distribute less equitably than in low differentiated municipalities. This is because highly educated people privilege bureaucratic planning over participatory planning, while in low differentiated municipalities wide and strong people's participation on planning favours a more equitable distribution.

3. External conditions, such as continuous regulatory changes and poverty threaten to reverse the legitimacy of the popular participation process, particularly in high differentiated municipalities where the impact of peoples' participation on planning and accountability tend to be more diluted by the presence of several groups with different particular interests.

1.4 The study area: high and low differentiated municipalities

The selected municipalities all situate in the department of Chuquisaca in the south of Bolivia (see map 1.1). Chuquisaca is the third poorest of the nine departments in Bolivia with 70.1 percent of its population living without basic needs fulfilled. This percentage is 11.5 percent higher than the national average for the second poorest country in Latin America. The capital of Chuquisaca, Sucre, has also been the capital of Bolivia since the independence of the country in 1825 and establishment of judicial power. However, the central government including the executive and legislative powers, concentrates in La Paz since 1898.

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[11] The LPP and LDA are considered as uniform interventions because the same norms are applicable everywhere in Bolivia. The only difference is that allocation of resources is defined per capita so that municipalities with greater populations receive more funds.

This study focuses on the department of Chuquisaca because of three reasons. First of all, Chuquisaca shows a high socio-cultural diversity, including the presence of peasant-indigenous (Quechua, Guaraní, and others) and white-mestizo people. Second, Chuquisaca is the department that showed more advances in implementing popular participation and decentralisation processes.[12] Third, it shows a vibrant civil society with a varied set of interests: indigenous organisations, civic committees, NGOs, associations of producers, and others. To reduce the complexity of variables, all eight municipalities chosen are in Chuquisaca under the the same national and regional authorities. The municipalities of Monteagudo and Sopachuy were selected as in-depth cases while the remaining six are intended to extend the comparison between high and low differentiated municipalities.

Table 1.1: Population on the studied municipalites and percentage of people living in rural areas

Municipality	No. of inhabitants	Living in rural areas (in percentage)
Monteagudo	26,504	72.5
Huacareta	10,007	100
Muyupampa	10,748	78.0
Machareti	7,386	100
Sopachuy	7,241	100
Padilla	12,562	78.4
Alcalá	4,034	100
Tomina	9,060	100

Source: INE, census 2001.

The municipalities of Sopachuy, Tomina, Huacareta, and Machareti are 100 percent rural, meaning that no one village population exceeds more than 2,000 inhabitants.[13] The dispersed population and the villages together, though, surpass 4,000 inhabitants (see table 1.1). In this study, "urban" refers to the capital town of the municipalities where the municipal governments operate and "rural" refers to the dispersed communities. Both rural and urban make up the municipality.

The distinction between high and low differentiated municipalities is based on the heterogeneity of socio-cultural, socio-economic and political preference factors. As briefly mentioned in the following sections and in more detail in chapters 4 and 5, the different socio-economic and political constellations of these two types of municipalities respond in great extent to different historical patterns. Historically, these municipalities belonged to different ethnic and cultural domains. The high differentiated municipalities belonged to the Guaraní territory and the low differentiated belonged to the Inca domains. In the valleys of Chuquisaca with low differentiated municipalities, Quechua peasant communities present before colonial times comprise the majority of the population. They gather around core towns of traders and landlord descendants from white-mestizo background. After the national revolution of 1952, they organised under strong corporative peasant unions. Conversely, the lower lands of the Chaco areas were originally inhabited by Guaraní people, conquered late in the 19th century and subjugated by white-mestizo settlers, hacendados, and ex-army officers. A later influx of highland immigrants in this richer and less densely populated area added to the high socio-cultural diversity during the 1950s and 1970s.[14] The following sections explain in detail how these events reflect different socio-cultural, socio-economic, and political party preference configurations.

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[12] Before the LPP, CORDECH and private organizations already divided Chuquisaca into five ecological sub-regions and established local plans. Then, councils of microregional planning existed with a tradition of participation among formal organizations such as civic committees, producers' associations, and municipal governments (TBOs did not exist as such yet).

1.4.1 Socio-cultural diversity

Table 1.2: Self-identification with original and indigenous people in the studied municipalities. In percentage of the population

Classification	Municipalities	Quechua	Aymara	Guaraní	Other native or indigenous	Any native or indigenous
HIGH DIFFERENTIATED MUNICIPALITIES	Monteagudo	17.66	0.62	6.16	1.16	74.36
	Huacareta	8.6	0.3	32.5	0.60	57.9
	Muyupampa	0.15	0.42	28.4	0.64	55.04
	Machareti	6.02	0.40	31.48	1.26	60.82
LOW DIFFERENTIATED MUNICIPALITIES	Sopachuy	84.52	0.17	0.12	0.42	14.74
	Padilla	55.07	0.52	0.52	0.38	43.5
	Alcalá	29.88	0.0	0.04	1.51	68.54
	Tomina	83.78	0.26	0.0	0.18	15.75

Source: National Census 2001 (INE, 2002).

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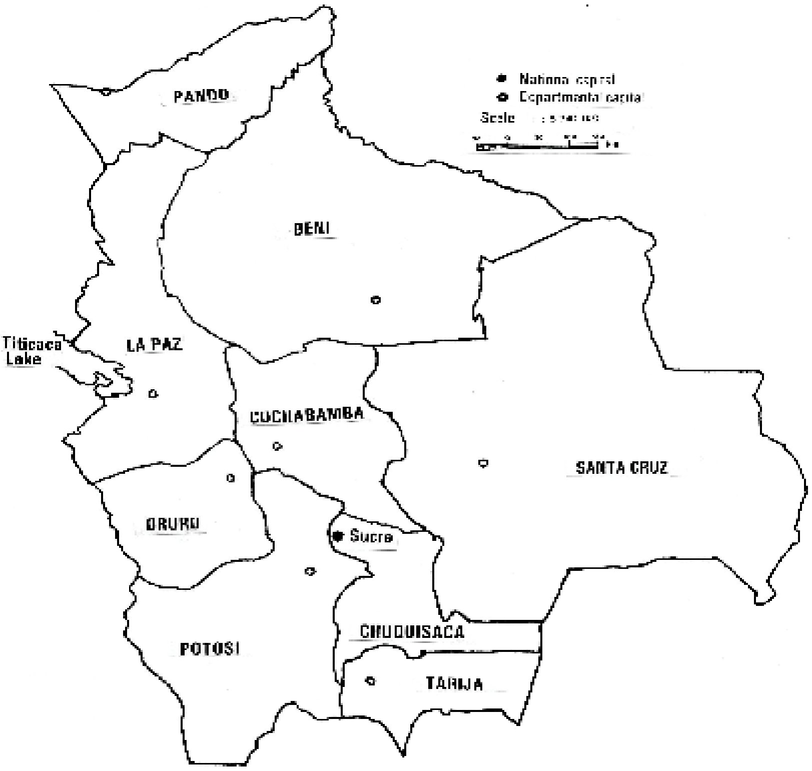
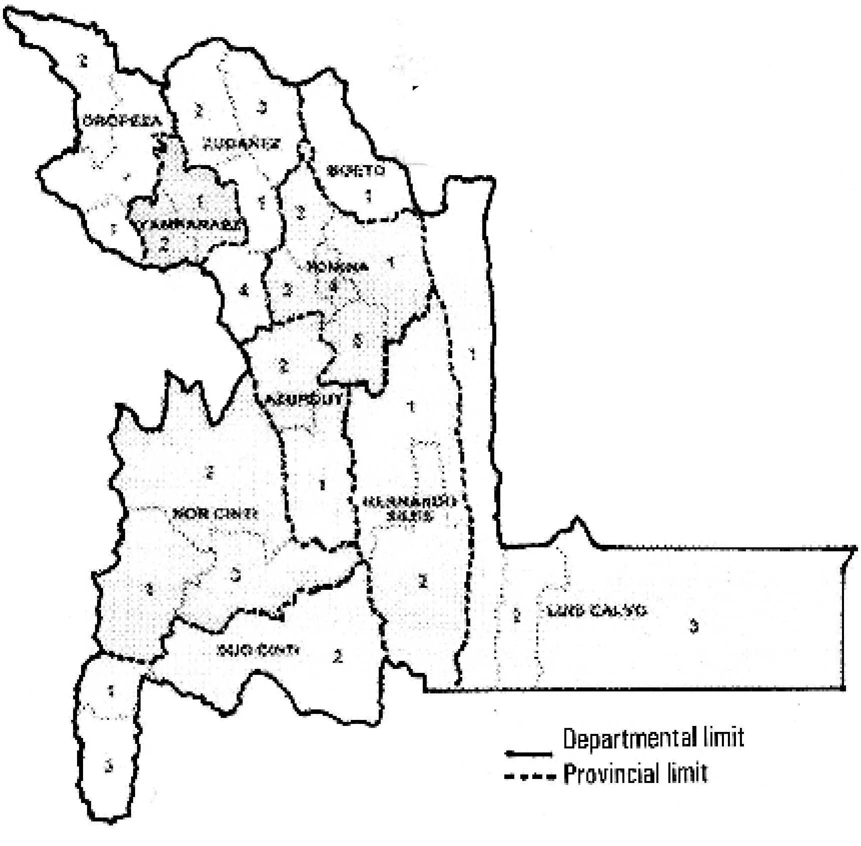
[13] The definition of rural and urban corresponds to the Bolivian 1976 and 1992 censuses and the 1988 National Population and Housing Survey, which defines urban as localities having more than 2000 inhabitants and rural as having fewer than 2000.

[14] People of both categories of municipalities still consider themselves as socio-culturally dissimilar and attribute different socio-psychological characteristics to each other. People who inhabit ex-Inca domains refer to those of ex-Guaraní domains as "*adentreños*" or "*Cambas*" and attribute them with characteristics such as slowness and unconcern. The latter call the former in turn "afuereños" or "Collas" and regard them as hard workers and good merchants. Guaraní people distinguish themselves from non-Guarani by naming them as 'Karay.'

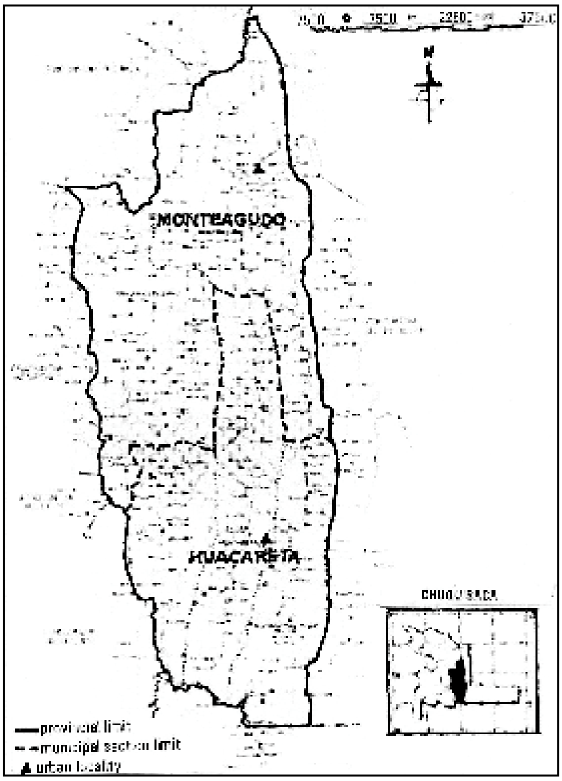
Map 1.1: Bolivia


National capital
Departmental capital
Scale
PANDO
BENI
LA PAZ
Titicaca Lake
COCHABAMBA
SANTA CRUZ
ORURO
Sucre
POTOSI
CHUQUISACA
TARIJA

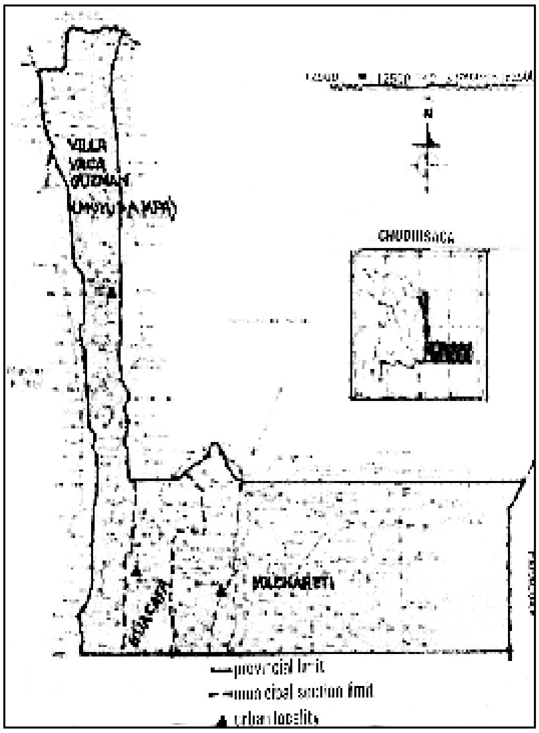
Map 1.2: Chuquisaca


OROPEZA
ZUDAÑEZ
BOETO
YAMPARAEZ
TOMINA
AZURDUY
NOR CINTI
HERNANDO SILES
SUD CINTI
LUIS CALVO
Departmental limit
Provincial limit

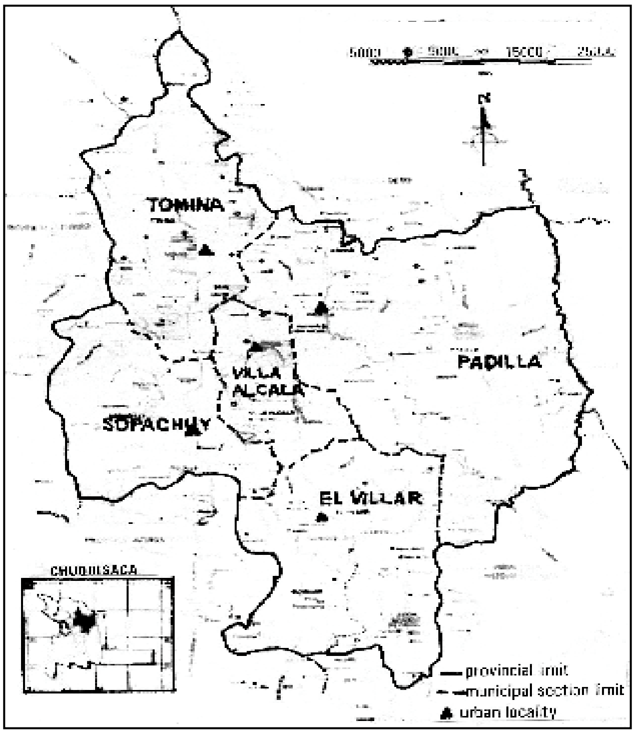
Map 1.3: Hernando Siles Province


N
MONTEAGUDO
HUACARETA
CHUQUISACA
provincial limit
municipal section limit
urban locality

Map 1.4: Luis Calvo Province


N
VILLA VACA GUZMAN (MUYUPAMPA)
CHUQUISACA
HUACAYA
MACHARETI
provincial limit
municipal section limit
urban locality

Map 1.5: Tomina Province


N
TOMINA
VILLA ALCALA
PADILLA
SOPACHUY
EL VILLAR
CHUQUISACA
provincial limit
municipal section limit
urban locality

As table 1.2 shows, the high differentiated municipalities include at least three self-identified ethnic groups: non-native, Guaraní, and Quechua, while the low differentiated municipalities comprise of two main ethnic groups: Quechua and non-native (white-mestizo). The Shannon diversity index detailed in table 1.3 places the ethnic diversity degree of the eight municipalities in the following decreasing order: Muyupampa, Huacareta, Machareti, Monteagudo, Padilla, Alcalá, Tomina and Sopachuy.

Although all of the municipalities are relatively close geographically, ethnic origin, language, and culture separate them. In low differentiated municipalities, the native Quechua population predominates. The Alcalá population predominantly includes white-mestizos, but due to the geographical isolation of the area, the population follows Quechua traditions and devote themselves to the same economic activities. As the following sections show, according to the parameters of this study, Alcalá responds to the classification of low differentiated municipalities. In high differentiated municipalities, non-native people (white-mestizo) comprise the majority, while Guaraní native people form the largest minority, followed by Quechua immigrants. Only in Monteagudo do Quechua immigrants outnumber Guaraní people.

Table 1.3: Shannon diversity index for self-identification

	Municipality	Shannon diversity index[15]	
		Diversity H	Evenness Eh
HIGH DIFFERENTIATED MUNICIPALITIES	Monteagudo	0.78	0.48
	Huacareta	0.94	0.58
	Muyupampa	1.03	0.64
	Machareti	0.91	0.56
LOW DIFFERENTIATED MUNICIPALITIES	Sopachuy	0.47	0.29
	Padilla	0.77	0.47
	Alcalá	0.69	0.42
	Tomina	0.68	0.42

Source: Based on data from the National Census 2001 (INE, 2002).

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[15] The Shannon's Diversity Index measures diversity of populations in a certain geographic area and also measures the distribution of this diversity. Therefore, it provides more information about community composition than simply richness (i.e. number of groups present); it also takes into account the relative abundance of different groups. Although Shannon's Diversity Index derives from natural sciences, it may be used for understanding the geography of ethnic or other social variables.
$\boxed{H = \mathrm{Sum}[(Pi/P)*\ln(Pi/P)]}$ $\boxed{Eh = H/\ln n}$ Pi represents the number of individuals in one group; P represents the total number of individuals and *n* shows the number of groups. The Shannon's Evenness Index (EH) more appropriately measures diversity distribution since it normalizes the index H by dividing it by the natural log of the number of groups. This gives a number between 0 and 1. The higher the number of EH, the more equal the representation of all groups; the lower the number, the more one ethnic group (or other considered variable) dominates the index.

In addition to the self-identification distinction (tables 1.2 and 1.3), two other socio-cultural factors underscore the differences between the two categories of municipalities: language and literacy. As table 1.4 shows, in high differentiated municipalities, people use three primary languages while in low differentiated municipalities, people use only two, with native Quechua dominating over Spanish in Sopachuy and Tomina. Regarding literacy rates, table 1.4 shows that high differentiated municipalities have higher percentages of literate people. Nevertheless, due to the fact that Spanish remains the primary language of education, it is reasonable to conclude that in high differentiated municipalities the extreme differences between literate and illiterate people is much higher than in low differentiated municipalities,[16] with the native population among the less literate.

Table 1.4: Literacy rates and spoken languages

Classification	Municipalities	Literacy rates in %*	Spoken languages in order of importance **
HIGH DIFFERENTIATED MUNICIPALITIES	Monteagudo	73.72	S, Q and G
	Hucareta	66.15	S, G and Q
	Muyupampa	74.41	S, G and Q
	Machareti	86.25	S, G and Q
LOW DIFFERENTIATED MUNICIPALITIES	Sopachuy	53.57	Q and S
	Padilla	69.85	S and Q
	Alcalá	65.31	S and Q
	Tomina	54.06	Q and S

* Of people over 15 years of age
**Q: Quechua; G: Guaraní and S: Spanish
Sources: INE, census 2001

1.4.2 Socio-economic diversity

According to the Bolivian Map of Poverty 2001 (INE-UDAPE, 2002) [17] all of the studied municipalities show levels of poverty higher than the national average of 58.6 percent. Between 85 and 94.9 percent of the population in six municipalities live in poverty. Monteagudo and Muyupampa are the less poor with 60 and 84.9 percent of poor population, respectively (Bolivian Map of Poverty 2001).

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[16] In the studied municipalities, only Machareti and Monteagudo, with 71.7 and 86.2 percent respectively, surpass the national literacy rate average. Sopachuy shows the lowest level with only 53.5 percent. Although differences between rural and urban areas exist, the difference in literacy levels between men and women often more remarkable data, with the differences reaching from 11 to 23 percentage points (INE, 2002).

[17] The Bolivian Map of Poverty is based on the Dissatisfaction of Basic Needs criteria. These criteria define as poor those people who lack minimum levels of well-being related to household conditions, availability of water and sanity services, energy, education and access to health.

Three socio-economic characteristics distinguish between high and low differentiated municipalities: distribution of land available per family, patterns of consumption expenditures (inequality), and characteristics of migration.

Most of the working population over ten years old in the eight municipalities devote their activities to agriculture and cattle raising mostly for subsistence purposes (INE, 2002). Therefore, land availability remains a central factor in socio-economic differentiation. The degree of success of the Agrarian Reform of 1953, which followed the National Revolution of 1952 in order to eliminate servitude and distribute land among peasants impacted the various regions in the country diferently. The reform was less successful in the east and in the Chaco areas than in the central valleys of Chuquisaca due to geographical, demographic, and political reasons. Therefore, large haciendas remained in the east and the Chaco areas. Additionally, the strong flows of Quechua immigrants and the 'granting' of land from *patrones* to families working in their haciendas resulted in an increased variety of land sizes in Monteagudo, Huacareta, Muyupampa and Macharetí.

Meanwhile, the success of the Agrarian Reform in the higher valleys where Sopachuy, Alcalá, Tomina, and Padilla are situated resulted in a more homogeneous distribution of land among ex-hacienda workers. Now, individual (familial) small plots characterize the predominant type of land use, even among free communities not linked with ex-haciendas.

Table 1.5: Size of land per family, per municipality

Classification	Municipality	Extremes of land size per family in ha.	Average of land size in ha.	Prevailing land size in ha.
HIGH DIFFERENTIATED MUNICIPALITIES	Monteagudo	1 – 1,400	80.13	Medium (20-500)
	Huacareta	1 – 7,220	No data	Medium (20-500)
	Muyupampa	1.2-8,000	6.38	Medium and big
	Machareti	10-5,000	No data	Big (larger than 1000)
LOW DIFFERENTIATED MUNICIPALITIES	Sopachuy	0.25 - 69.6	2.2	Small (smaller than 20)
	Padilla	1.08 to 5.51	4.65	Small (smaller than 20)
	Alcalá*	---	---	Small (smaller than 20)
	Tomina	0.25 – 78	2.5	Small (smaller than 20)

*The data available for Alcalá is not consistent.
Source: Municipal Development Plans and KADASTER, 1998.

Table 1.5 shows that in the four high differentiated municipalities, not only larger plots predominate, but also the differences in land size are much greater when compared with the four low differentiated municipalities.[18]

With regard to the second socio-economic variable - dispersion of the consumption expenditures (inequality) - figure 1.1 shows higher average consumption per capita in Monteagudo, Huacareta, Muyupampa, and Machareti. The presence of indigenous Guaraní in high differentiated municipalities whose income nearly approaches zero due to their subsistence agricultural activities means that the range of expenditure in these municipalities is wider, with the white-mestizo landowners at one extreme and the indigenous Guaraní at the other. Data from the National Institute of Statistics confirms differences in the degree of inequality per municipality when placing the eight municipalities of this study in the following decreasing order of inequality: Macharetí, Huacareta, Muyupampa, Monteagudo, Alcalá, Tomina, Padilla and Sopachuy (INE, 2002).[19]

As for migration, the higher presence of immigrants and their descendants in high differentiated municipalities reinforce the heterogeneous characteristics of their population. Large groups flowed from the north after the Agrarian Reform of 1952 into Monteagudo, Machareti, Huacareta, and Muyupampa mainly due to both availability of land and labour shortage in the south. Again during the 1970s and 1980s the improvement of road infrastructure and commencement of development projects resulted in north-south migratory flows.[20] Monteagudo received most of the immigrants, as the census of 1992 showed that 40 percent of the immigrants are not native from the municipality. Currently, still Quechua and Aymara people migrate from the high valleys and plateaus temporarily or permanently to work in agriculture as well as in the commercial and service sectors. Regarding low differentiated municipalities, the diagnostics of municipal plans of Tomina, Sopachuy, and Alcalá report minimum permanent immigration flows attributed mainly to patrilocal marriage patterns. Only Padilla has recorded a significant level of people of foreign origin at approximately 25 percent, but these immigrant populations compose mostly of Quechuas from the surrounding municipalities (PDM of Padilla, 1997).

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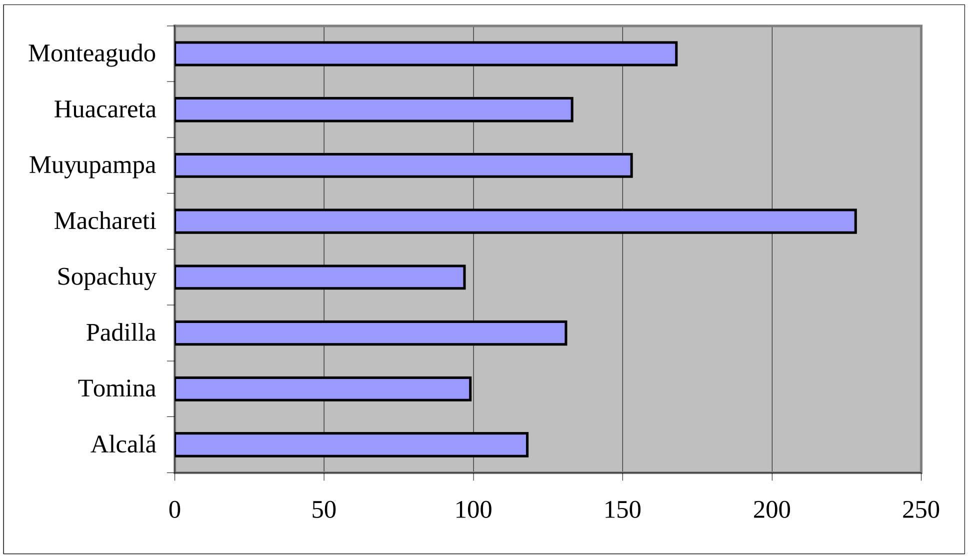
[18] Besides gathering data on land use per family, KADASTER (1998: 69-70) also differentiates between land tenure among municipalities of the Chaco area and those in the valleys. In the former, most owners have legal documents for their land, while in the latter most people can only partially document their land title. This is mainly because in the latter, land passes from hand to hand in informal arrangements of heritage, communal distribution, or selling and buying.

[19] INE and UDAPE created inequality indicators based on the distribution of the consumption expenditures on household samples in all municipalities in 2001. According to their data, larger levels of entropy imply larger inequalities within municipalities. The data of entropy found for the eight municipalities are: Machareti: 0.50; Huacareta: 0.40; Muyupampa: 0.36; Monteagudo: 0.33; Alcalá: 0.23; Tomina: 0.22; Padilla: 0.21 and Sopachuy: 0.21 (INE, 2002).

[20] Casanovas (1987: 51-53) noted the "magnitude of migratory flows" towards the Provinces Siles and Calvo (high differentiated municipalities) from the Tomina province (low differentiated municipalities) as one of the most important

Figure 1.1: Average consumption per capita, per month, and per municipality in 2001 (in bolivianos)



* Exchange rate: 6.6 bolivianos per 1 U.S. dollar (2001).
Source: UDAPE, 2004. Available at www.udape.gov.bo/atlas04/CUADROS/Consumo.htm.

1.4.3 Political party preferences

An analysis of the political party preferences in the last municipal and national elections (1999, 1997, and 2002) shows that the MBL (Free Bolivia Movement) won consecutively in the Tomina Province, where Sopachuy, Alcalá, Padilla, and Tomina are located. In the Siles and Calvo provinces the MNR (National Revolutionary Movement) and the ADN (Democratic Nationalist Action) parties led while a fourth political party, the MIR (Leftist Revolutionary Movement) followed closely. In order to understand the importance of these preferences, the following main characteristics of the four political parties should be introduced. The leftist MBL party was officially founded in 1991 but was present before in the low differentiated municipalities through the work of NGOs, which may explain its success among the rural populations of Chuquisaca. Winning the elections in 1995 and 1999, the MBL took over the municipal governments in Sopachuy, Alcalá, and Tomina (but not in Padilla). The ADN

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processes of regional concentrations of migration reported by the census of 1976. As much as 20% of the intra-departmental migration followed that direction.

was founded in 1979 by the ex-dictator Hugo Banzer and has historically sympathized with rightist political views. Ex-hacendados appear among their stronger supporters. The MNR, founded in 1941, still enjoys the support of some groups of middle and peasant classes that remain loyal to the party as the leader of the national revolution of 1952. The fourth predominant party, MIR, was founded in 1971. Its electoral base consists of middle classes from intermediate and small towns. Despite several accusations of corruption, MIR still remains the fourth political force in Bolivia thanks to both its influence over small and medium rural towns and its political work among indigenous people of the lowlands.

Table 1.6: Municipal elections 1995 and 1999. Four most voted political parties, in percentage of votes

		Elections 1995				Elections 1999			
Classification	Municipalities	First	Second	Third	Fourth	First	Second	Third	Fourth
HIGH DIFFERENTIATED MUNICIPALITIES	Monteagudo	31.31 MNR	26.90 ADN*	24.84 UCS	8.37 MBL	27.11 ADN	24.54 MIR	20.15 MNR	12.81 UCS
	Huacareta	62.95 ADN	26.86 MBL	6.47 ADN*	1.15 MIR	37.51 ADN	35.73 MIR	20.14 MNR	4.17 FRI
	Muyupampa	42.71 MNR	27.19 MBL	11.72 ADN*	14.14 MIR	38.76 MNR	27.17 MIR	17.01 ADN	10.00 UCS
	Machareti	30.64 MNR	27.54 ADN*	24.05 MBL	8.21 UCS	50.92 ADN	20.24 MNR	14.78 MIR	11.22 UCS
LOW DIFFERENTIATED MUNICIPALITIES	Sopachuy	54.77 MBL	20.98 MNR	11.63 MIR	2.36 UCS	43.56 MBL	19.11 MIR	14.67 ADN	7.87 MNR
	Padilla	34.22 MIR	21.69 MNR	19.59 MBL	15.81 ADN*	33.58 MIR	28.57 MNR	17.52 ADN	12.34 MBL
	Alcalá	44.23 MBL	27.33 MIR	14.22 MNR	8.85 UCS	49.49 MBL	33.25 MIR	7.54 ADN	3.84 MNR
	Tomina	49.91 MBL	17.96 MNR	17.01 MIR	5.18 ADN*	36.69 MBL	23.56 ADN	19.84 MIR	13.27 MNR

* ADN went to elections in alliance with the small political party "Democratic Christian Party" (PDC).
Source: Corte Nacional Electoral. Departmental Results, Municipal Elections 1995 and 1999. Available at www.cne.org.bo.

Table 1.6 shows that the three major parties represented by the presidents and parliamentary majorities since the recovery of the democracy in 1982 predominate in the high differentiated municipalities.[21] In low differentiated municipalities, the MBL, gains favour through identification with peasants' interests.[22] Padilla remains the exception among low differentiated municipalities as it shows larger influence of major traditional parties. Padilla shows a more intermediate municipality with characteristics between high and low differentiation, but it is included among those of low differentiation because of its Quechua majority composition. The consequences of this intermediate position are revealed later in the analysis.

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[21] Since the recovery of democracy from dictatorship regimes in 1982, the MNR has been in power three times (1985-1989; 1993-1997, and 2001-2002); the MIR once (1989-1993); and the ADN once (1997-2002).

[22] The MBL was part of the political coalition in power with the MNR during the period of 1993-1997. It also joined the political formula of the MNR in the national elections of 2002 but abandoned it soon after the MNR took the presidency.

1.5 Methodological approaches: the actor oriented approach and historical analysis

This is a qualitative study based on ethnographic field researh and the analysis of secondary data. Two approaches framed the collection and analysis of data: the actor oriented approach and historical analysis.

1.5.1 The actor oriented approach

I considered the actor-oriented approach the most suitable for the analysis because of the following reasons. First, it allows us to analyse the role of social actors and their ability to re-shape development interventions within constraining and enabling social and political conditions. Therefore, the actor oriented approach gives room to analyse power dynamics as a permanently fluid process of negotiation and "acts of doing" among actors who "possess" agency such as the knowledge and capability to assess problematic situations and organise responses. Second, it reveals meanings that legal and developmental definitions acquire on a daily basis for the local actors. It also unveils the interfaces between, for example, different systems of knowledge and organisations. Thirdly, it takes into account the influence of macro structures (political and economic) on actors at the local level and the interaction between local and external factors on daily life (Long, 2001).

The most outstanding representative of the actor oriented approach, Norman Long (2001: 30-32), proposes that we view interventions as a multiple reality made up of differing cultural perceptions and social interests, and constituted by the ongoing social and political struggles that take place between the various social actors involved. Interventions, Long argues, link to previous interventions and have consequences for future ones; therefore, they supercede the conventions of time and space. As such, they imply a confrontation between different lifeworlds and socio-political experiences built in the past. This study then looks at the reconfiguration of power within the institutional arrangements of the decentralisation process in the continous interaction of the relevant actors involved such as the municipal authorities and grass-root representatives. The capacity of social actors to maneuver into their respective socio-political structures acts as a central part of this analysis. Although the actor-oriented approach implies a close look at cultural backgrounds, ways of social organisation, and social values, I stress the need for a deeper historical analysis. The Laws of Popular Participation and Administrative Decentralisation were implemented in ongoing local social and political processes with their application subordinated to them. Therefore, it is relevant to refer to the local social structures in relation to earlier events and socio-political processes.

1.5.2 Historical analysis

Historical analysis, likewise path dependence approach and historical institutionalism, presents the past neither as a rigourous historical study nor as a simple historical background, but as a source for explaining mechanisms of change. By looking for historical events or critical junctures, they establish conections between them and the aftermaths within certain substantial time-frames (see Collier, 1998; Collier and Collier, 2002; Pierson and Skocpol, 2002; and Schwartz, 2003). Historical analysis, particularly when it takes a comparative approach, follows a long and enduring traditon of research based on three defining attributes: a) a sustained focus on a well-defined set of cases; b) a concern with a time frame and with the unfolding of causal processes over time; and c) the use of systematic comparison to generate and/or evaluate the explanation of outcomes (see Collier, 1998). Historical analysis focuses not necessarily on analysing institutions and organisations, but on social actors' choices and actions in time.[23] For this reason and for saving the relevant commonalities between historical approaches mentioned above, I consider a more traditional historical analysis as the most suitable for this work.[24]

This study therefore lies within two research traditions applied in sociological and political studies: the actor oriented approach and historical analysis. It attempts to explain changes on power configurations after decentralisation policies as determined by both historical events that shape socio-cultural and political characteristics and by the actors' actions and capacity to evaluate, react, and capture power vis-à-vis other actors and new situations.

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[23] In contrast, the historical institutionalism and path dependence approaches focus on institutions as determining peoples' choices, opportunities, and constraints. For example, see the study of Yashar (1997) from an historical institutional approach, which explains the emergence of indigenous movements in Latin America as a response to the emergence of incomplete political liberalization and state economic reforms. See also the work of Mahoney (2001: 137), who concludes from path dependence explanations that the 19th and early 20th century liberal reform period formed a critical juncture that put the region's countries on contrasting trajectories of regime change in Central America. He explicitly argues that the notions of relative contingency during critical junctures with ***subsequent determinism*** form central features of path dependence (my emphasis).

1.6 Data collection and analysis

Four methods of data collection were applied during the fieldwork for this study: individual interviews, questionnaires filled out in workshops (individual and in groups), participant observation, and documentation. More than hundred interviews were applied to three groups of actors: a) key national and regional informants such as scholars, national and regional authorities, and NGO members. b) municipal actors who were identified mainly by using the snow-ball method which led the author from one interviewee to another by following either similar or conflictive discourses. For example, when interviewees related their own situation by mentioning other actors who either shared their position or contested them, those actors were also approached and interviewed. c) local bureaucrats of governmental and non-governmental organizations. The interviews were semi-open in all cases and lasted from half an hour to three hours, depending on the willingness of interviewees to respond and freely explain their views.

Most of the interviews were held with municipal actors who answered similar questions about the socio-political life of the municipality, evaluation of the MG performance and the impact of the LPP and LDA. In many cases, people volunteered other topics which they considered related to the discussion (i.e. land tenure, market, and others).

Besides interviews in the eight considered municipalities, other interviews were held in the cities of Sucre and La Paz[25] with NGOs and international cooperation representatives, departmental officers, key informants, national officers, representatives of economic organisations, and political party leaders.

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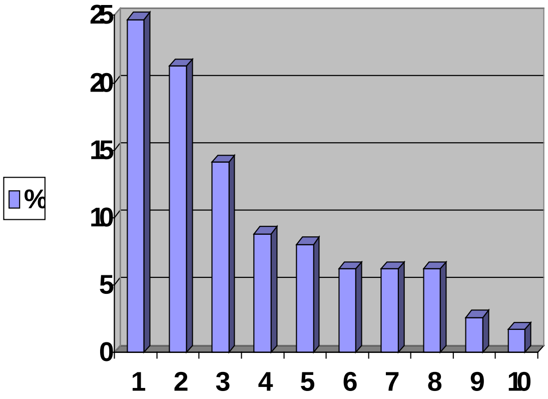
[24] Debates over the novelty and relevance of path dependence arguments persists, even as their supporters formally elaborate it as a theory (see Collier, 1998 and Pierson, 2000). As such, some consider it as an approach while others consider it as a theory in construction (see Schwartz, 2003).

[25] Sucre is the capital of both Bolivia and the Department of Chuquisaca. Nevertheless, the national government and most of the international cooperation agencies settle in La Paz.

Figure 1.2: Distribution of interviews conducted in the local settings



1. Municipal government authorities
2.Members of territorial base organizations
3.Key informants
4.Local officers representing national sectors (education, health and others)
5.Economic actors (members of cooperatives and producer associations and merchants)
6.Vigilance committee members
7.Officers of municipal governments
8.Non-governmental organization representatives
9.Political party leaders
10.Priests

Although a considerable number of interviews took place representing a wide variety of groups (see annex 1.1 for the list of interviewees), three limitations must be acknowledged. First, the interviews occurred in Spanish, thus impeding some of the interviewees to express themselves in their native language (Guaraní and Quechua). Second, most indigenous-peasant men felt more comfortable talking to a man. For this reason I chose to include a male collaborator during most of the interviews. The presence of this collaborator who before adviced for the CCCH (Council of Guarani Captains of Chuquisaca) was also vital to record information from Guaraní communities and leaders who trusted him. Third, despite efforts to interview more women representatives, authorities, and officers, 73.4 percent of the interviewees in the studied municipalities and 75 percent in Sucre and La Paz were men, which reflects the male-dominated political and bureaucratic structure within the decentralisation and popular participation interventions.

On the most positive side, the majority of the interviewees agreed to the recording of the interviews, which facilitated the accuracy in transmiting peoples' views. More than that, many expressed that they "do not fear anything" when explained that the interviews would remain confidential with no mention of their identities and would only serve as a source of analyisis for the present study.

The questionnaires were filled out during workshops in the second half of the fieldwork in May, 2003. The workshops took place in Monteagudo and Sopachuy upon approval from the local municipal government and the vigilance committee representatives. These two instances invited representatives of TBOs and economic groups to the workshops in Monteagudo and Sopachuy which resulted in more than 90 percent attendance. Workshop attendees filled out both individual and group questionnaires.

By way of reciprocity towards the TBO leaders, the author provided information about the Laws of Popular Participation, Administrative Decentralisation, and National Dialogue 2000 and clarified doubts about their application. The author also sent the results of the information gathered during the workshops to the local governments, vigilance committees, and NGOs of Monteagudo and Sopachuy in August 2003.

The author encountered two limitations with the questionnaires. The main limitation concerned the lack of a tradition of involving women in municipal meetings in Monteagudo which impeded a comparison between perceptions of women from that municipality and Sopachuy. The second limitation concerned the lack of writing skills of most TBO leaders. Three assistants who supported the participants in writing down their answers helped to overcome this problem.

The third method of data collection, participant observation, took place during seven months of fieldwork in Monteagudo and Sopachuy, with short visits to the surrounding six municipalities.[26] During these months, the author took the opportunity to participate in municipal council meetings, informative events from the municipal governments to the TBOs, communal meetings, and peoples' discussions over the functioning of the MGs. As important as the council meetings were in providing data for this study, the regular and informal talks with ex-consultants, councillors, and neighbours of town dwellers. Sitting in the main square of the municipal towns and going to the market proved useful in observing the relations of subordination and prejudices among different social groups. The daily informal conversations also provided clarification to initial rumours that the author was there as a governmental officer to assess the MG's performance.

Gathering a wide base of documentation at the municipal, departmental, and national level provided the fourth method of data collection. This base comprises mainly of Municipal Development Plans (POAs and PDMs), reports of former and current development programs, and historical and socio-economic descriptions of the studied municipalities. The main difficulty of the documentation process was that most available documents of the region were often limited to technical descriptions of development projects. Additionally, despite the relevant socio-economic analysis included on the municipal plans, they often used different variables and thus impeded a more comprehensive comparison.

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[26] The other three months of fieldwork were spent in Sucre and La Paz interviewing regional and national authorities and gathering official documentation.

Photo 1.1: Workshop in Monteagudo, May 10th, 2003

Photo 1.2: Neighbourhood in the town of Monteagudo

Photo 1.3: Workshop in Sopachuy, May 13th, 2003

Photo 1.4: Neighborhood in the town of Sopachuy

The data analysis was mainly based on interviews. Results were cross-checked with the questionnaires, direct observation, and documentation. The analysis started with a repeated integration of the interviews and questionnaires and different attempts to classify and give order to them.

Finally, it is noteworth to mention that the fieldwork was carried out in two periods of time: from July, 2002 to January, 2003 and from March, 2003 to May, 2003. The intermediate period (February, 2003) was spent analysing the first set of data and elaborating a first field report at the Centre for Development Research (ZEF) in Bonn. This proved very useful for deepening the second part of the fieldwork.

1.7 Outline of the study

This study contains seven chapters: one introductory, one theoretical, three empirical, and one conclusive. The following chapter 2 presents the ongoing debates in academic and development policy literature on popular participation, decentralisation, and power relations. The discussion centres on the origins of decentralisation and popular participation interventions and their impacts on local socio-political dynamics. Chapter 3 offers a historical background of the Bolivian socio-political context and explains the relevant details of the three main legal norms regulating the decentralisation process. It ends with a brief description of the current socio-political situation. The empirical description at the local level starts in chapter 4 with the presentation of the high differentiated municipalities, their historical background, and the socio-political arrangements before and after the process of decentralisation. It also describes the new position of relevant local actors within the application of the LPP and the balance of power after a decade of decentralisation policies. Chapter 5 contains the same analysis for the low differentiated municipalities. Chapter 6 compares both types of municipalities by answering the four research questions. Chapter 7, guided by the assumptions of the study, concludes by discussing the overall research and their comparative background.

CHAPTER 2: POPULAR PARTICIPATION, DECENTRALISATION, AND POWER

The debate between centralist and decentralist tendencies in Latin American countries plays a part in their history since their independence, mainly under the form of unitary-federalist civil wars (Boisier, 1990: 29). Nevertheless, it was included in the state agenda of all countries in the region only at the beginning of the 1990s.[27] One may interpret the application of decentralisation policies as the main precursor of the latest transformation of state-society relations because it involves the transferring of power (i.e. responsibilities, resources, and decision-making capacities) from the centre to a wide base of local actors.

Decentralisation acquires different meanings in theory and practice[28] and names similar processes with different characteristics worldwide.[29] In this study, decentralisation means the devolution of political, administrative, and economic power from the central state to lower territorial units (i.e. departments and municipalities). Therefore, it is understood as a process of democratisation or "democratic decentralisation" intrinsically linked to participation that involves power sharing in decision-making.

With this definition in mind, this chapter presents a review of the literature on decentralisation, particularly in regard to local power relations. It also focuses attention on the literature on Latin American political history and mechanisms of power concentration. The first section of the chapter discusses the meanings of decentralisation and popular participation interventions by highlighting the main controversies that emerged from academic and development realms during the last decade. The second section gives a short introduction to social differentiation, power, and social relations in Latin America. The third part presents the arguments of many authors pointing out to clientelism, corporatism and patrimonialism as patterns of power concentration and exclusion which survive in Latin American politics.

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[27] Willis (1999: 9) reported that until 1999, only the Dominican Republic and Panama had not applied for any form of decentralising reforms.

[28] According to Rondinelli et al (1989: 77-78), decentralisation may take four organizational arrangements: 1) privatization and deregulation, which take provisions in order for voluntary organisations and private businesses to provide services. 2) delegation, which consists of shifting responsibility for producing goods and supplying services to specific interests groups such as cooperatives or trade unions and also to public corporations. 3) devolution, which implies that autonomy and independence of local governments stay clearly perceived as a separate level. This involves a territorial decentralisation, since geographical boundaries over which local governments exercise authority should remain clear. 4) deconcentration of the provision of services by the government on services based on a linked network.
Other authors classify decentralisation in a different manner. Treisman (2000: 3) for example, classifies it in five types according to how each of them concerns sub-national units: structural, decision, resource, electoral and institutional decentralisation. Boisier (1995) distinguishes functional, territorial and political decentralisation. See also Smoke (1999) for other categorizations in Asian models.

[29] Crook and Sturla (2001: 2) mention a survey on developing countries across all continents that shows that since the mid 1980s, decentralisation reforms have been introduced in states ruled by virtually all varieties or regimes. Therefore, the authors state no evidence of a connection between either the regime type and implementation of decentralisation or between the regime type and a specific model of decentralisation system exist.

2.1 The debates on popular participation and decentralisation

Since the 1950s, an increasing body of literature about decentralisation and popular participation both of an academic and applied nature surfaced. Five main debates may be identified from it. The first debate surrounds the driving forces that gave origin to these processes and whether they respond to bottom-up demands for democratisation and empowerment[30] or to development policies imposed vertically by the state and international agencies. The second concerns whether the results of decentralisation lead to the de-concentration of benefits over natural, financial, and economic resources or, on the contrary, whether they promote the concentration of these benefits in a few hands worldwide. The third debate concentrates on whether it is advisable for the state to re-centralise some attribution in order to balance unequal development processes and improve the performance of the government or whether it should decentralise further and give local governments more autonomy. Fourth, a fundamental and recent debate involves whether achieving development necessitates decentralisation processes. The final debate supported mainly from empirical studies concerns whether decentralisation and popular participation actually eliminate local inequalities or whether they favour local elites widening socio-political differences.

This study concerns the last debate. The first four, nevertheless, closely interconnect with it and therefore I briefly discuss them in order to make explicit the framework within which decentralisation takes place.

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[30] According to PADEM (2000: 9-12), the empowerment concept appeared from the womens' movements as a political strategy to question power structures and includes at least the personal, social, political juridical, cultural and economic aspects of life. It aims to increase participation on decision-making levels not only for the 'de-politicised' concept of more knowledge and capacities without political transformation.

2.1.1 The driving forces of decentralisation and popular participation: empowerment and instrumentalisation

Perhaps one of the earliest debates revolves around whether decentralisation and participation were promoted as a means to engage rural and urban communities into programs and projects conceived vertically or, on the contrary, whether local social movements promoted them to gain autonomy and power. Some authors consider this discussion as outdated since in any case most countries are already immersed in decentralisation processes. However, other authors support the continued relevance of this debate since the initial conception of both decentralisation and popular participation is traduced in regulations, norms, and practices which delimit peoples' involvement.[31]

Coraggio (1997: 9) identifies the above-mentioned hypothesis as the neo-liberal proposal and the democratising proposal. On one hand, the neo-liberal proposal would focus on the economic axes of privatisation and deregulation programs. Decentralisation would not only serve to apply more efficiently developmental projects from above, but it would ultimately involve traditional communities in a process of modernisation, where universal rules and laws take precedence above traditional practices. According to Coraggio, financial international funds enforce the design and implementation of decentralisation policies through the pressure of foreign debt, used to impose adjustment policies and state reforms.[32]

On the other hand, the democratising proposal formulates an explicit re-definition of the state and its functions, focusing on the political axes. Increasing decision-making capacity, improving access to resources and institutions, and most importantly, sharing political power comprise the final goal of the proposal. Its promotion is attributed to bottom-up pressures and the work of political activists contesting the role of the state and its vertical mechanisms of control.

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[31] Croak and Sturla (2001: 2) point out that different governments drawn on different political purposes and motives for introducing decentralisation reforms and that the details of the structure and form of the decentralisation scheme embody these purposes as in, for example, how the system functions after it is introduced.

[32] Accordingly, Mc Neish (2002: 231) mentions that "the influence of the UN, the IMF and the World Bank on those countries which have continued with programmes of popular participation and decentralisation is unmistakable." Blair (2000: 22) also states that "At the decade's end, Democratic Local Governance constitutes a major item in the assistance portfolio of most donors…" He states that by the mid 1990s, USAID supported about 60 democratic local governance projects and the UNDP also showed active support. Twelve percent of the World Bank projects completed between 1993 and 1997 involved decentralisation, and 43 percent of them were directed to urban areas. When considered per region, 13 percent of these projects were directed to Latin America and the Caribbean (Litvack et al, 1998: 2). See also Willis et al (1999: 16).

Rahnema (1995) mentions that the words "participation" and "participatory" appeared already during the late 1950s as part of new dimensions of development that included consultation and active involvement of people in the plans of international cooperation organisations. The main argument emphasises the continuous frustration over development projects, due to the lack of local peoples' involvement in the planning and executing processes. During the late 1970s and 1980s a strengthened "alternative development" movement introduced into the international agenda the principle that equitable and effective development could only transpire if people (the beneficiaries) controlled the process themselves, rather than government or NGOs experts (Crook and Sturla, 2001: 8). The beginning of the 1990s saw the "participatory approach" consolidated as an instrument of development in the Conference of Development and Environment of Rio de Janeiro in 1992 (FAO, 1994).[33]

Since then, participatory processes as an empowering tool and as a means of social solidarity and self-confidence, might have arisen an instrument to promote more efficacy in service delivery, channel more funds and include the private sector in development projects (Rahnema, 1995: 22; De Wit 2000: 17).[34] When policies and mechanisms of decentralisation reforms involve participation, it is assumed that it will bring government closer to the people and make it easier for them to participate and exert influence. But, even in this context, participation is understood, negotiated and utilised under different meanings.[35] For example, participation in democratic decentralisation (or Democratic Local Governance, as Blair [2000: 21] calls it) happens nearly for only regular elections of local authority bodies. For many authors such as Kant Singhal (2002: 245), even informing and consultation constitute just part of a pseudo-participation while only cooperation and community control leading to a change on power structures can be categorised as genuine participation. Or, like Stavenhagen (1971: 336) expresses, the assumption that community development programs operate less successfully as they could only because they fail to mobilize community participation ignore the patterns of dominance and power structure and in many cases perpetuate existing inequalities.

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[33] The *Carta del Campesino*, approved in the World Conference of Rural Development and Agrarian Reform in 1979, highlighted the importance of peoples' participation in recommending a decentralisation of the decision-making process. Governments adopted the participative approach formally in 1991 with the approval of the FAO's conference on the Action Plan on Popular Participation on Rural Development along with the Conference of the United Nations on Environment and Development (FAO, 1994).

[34] Even the word "empowerment" act as a buzzword in development, losing its radical and challenging meaning (Mosse, 2001: 37) to the extreme that Henkel and Stirrat (2001: 178) suggest that "what the new orthodoxy boldly calls 'empowerment' might be in effect very similar to what Michel Foucault calls 'subjection'."

[35] Nelson (1987: 104), for example, mentions that participation may evoke parades, demonstrations, and others organized by totalitarian systems.

As one of the World Bank studies concludes (1999: 32), "Local democracy is not, therefore, a forum for mass decision making on all issues of public policy. Rather, it provides a mechanism for interest groups to reach political decisions without resorting to open conflict." Through its burocratisation and association only with processes of information and voting, the word "participation" lost its threatening character to social and political establishment.

The above discussion is relevant because states decide through their policies and regulations whether to generate new spaces and mechanisms of articulation with local actors only to socialize the same mechanisms of government, or whether to effectively redistribute power to those excluded. But decentralisation and popular participation policy outcomes depend not only on implementation. The different meanings that people give to them, although without explicit reference find expression in the local arenas where programs are applied. For example, Oyugi (2000: 12) calls attention to the conflicting views of "participation" from both citizens and administrators. Citizens, given certain conditions, may wish to participate and by doing so influence official actions. Contrastingly, administrators may use participation to serve the ends of administration and thus diminish the potential of a meaningful participation. In this regard, Cooke and Kothari (2001: 14-15) warn about the tyrannical potential of participation not only because the widespread participative methods of diagnosis and planning simplify the nature of power but because the simple fact of including people as participants exercises power and control over individuals. The dominance of professionals and technicians in the composition of development projects along with police intervention to implement "participatory processes" confers them with power and control.

One can conclude that the driving forces and purposes of states when applying decentralisation and popular participation programs are relevant to discuss because they shape their implementation and practice. Both the motives behind these implementations and their appropriation and transformation by actors who assign them with different meanings reflect in the relations between the implementers (local autorities, technicians) and the communities in form of cooperation, competition, subordination, or conflict.

2.1.2 Globalisation and localisation

For some, decentralisation forms the opposite process of globalisation because it reverses the process of concentration of resources and power by delegating power to the people. To others, decentralisation remains part of the globalisation process because it tends to deconstruct the National States and their centralist organisation (Work, 2001: 29; PADEM, 2000).

On one hand, the arguments that sustain decentralisation interventions, whether territorial, administrative, and/or political, favour the local against the national by transferring power and resources to smaller units. Therefore, by discriminating in favour of lower tiers as privileged autonomous units of governance supported by a legal, administrative, and financial structure, decentralisation results in strengthening the local level.

Other authors, on the other hand, claim that decentralisation is part of an accelerated process of globalisation. Three main arguments support this claim. First, decentralisation opens spaces for large international capital to enter local spaces (i.e. local production and services).[36] For example, as part of the support that international agencies give to decentralisation programs, loans flow directly to municipalities (Litvack, et al, 1998: 2) that may or may not have the capacity to payback. Besides jeopardizing the position of municipalities with less capacity for manoeuvreing than national governments, this engages them into a global financial system.

Second, the globalisation of cultural values and organisations takes place by homogenising cultural and political practices in local spaces (e.g. political party representation). Nevertheless, many authors argue that fears of globalisation eliminating local cultural, economic, and political differences have not come true (see for example Wimmer, 2001: 456). Instead, the process of creolization and hybridization create a new set of diversified and constantly changing patterns of responses at national, regional, and local levels (Wimmer, 2001: 438-9; Long, 2001: 216).

Third, decentralisation provides a strategy for the neo-liberalist projects to globalise the principle of shifting obligations from the state to the people and thus making them responsible of their own situation.[37] This aspect has been critiziced mostly from those who argue that the most disadvantaged

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[36] Hines (2000: 5) argues that by opening spaces to global markets, globalisation makes the domestic producers lose because a competing range of outside sources supplies the markets. Besides, globalisation reduces the barriers to trade and investment and in the process it also reduces democratic controls by nation states and their communities over their economic affairs.

[37] Many authors connect globalisation and neo-liberalism. De la Fuente (2002: 6), for example, frames globalisation as a strategy to defend and strengthen neo-liberalism together with commercial and financial opening and privatisation while Veltmeyer et al (1997: 222) relate globalisation and neo-liberalism with the absence of alternatives, local self-help projects, and poverty pockets.

(e.g. the poor, domestic producers) occupy no positions to contest neither global economic forces nor their own conditions of poverty (see for example Roberts, 2001 and Arocena, 1991: 63).

The role of NGOs and international donors as agents of development interventions remain an inextricable part of the debate on globalisation and localisation.[38] Decentralisation processes encourage both localisation and globalisation mainly through NGOs and international cooperation projects. The capacity of NGOs to strengthen communities at the local level benefits particularly from the following four advantages: they enjoy wide legitimacy for their militant work during the military regimes; they operate local, national, and international bases that may connect poor and marginal people with a wider circle of allies; they absorb some of the costs of engaging in political action; and they may potentially reinforce the self-worthiness and efficacy of the poor (Jhonson, 2001: 15; Veltmeyer et al, 1997: 165; FAO, 1994: 14). Nonetheless, the resource dependency of NGOs constitutes its Achilles' Heel, since "they must persuade their constituency that a particular project is suitable to them, uncomfortably aware that this may simply be because the trend in funding has changed" (Lehmann and Bebbington, 1998: 265). As a result, NGOs cooperate more and more with official development institutions, which in turn adopted some NGOs practices so that NGOs are not only decreasingly regarded as "alternative" options, but as one more player in the general trend (Roberts, 2001: 13; Veltmeyer et al, 1997: 165-172; Rahnema, 1995: 25; Lehmann and Bebbington, 1998: 268).[39]

Donor agencies, actively work to globalise "democratic values" such as multi-party democracy, respect for and enforcement of human rights and the rule of law, efficiency, accountability, and transparency in governance, freedom of expression and equity. This project, when added to the need to implement development aid more efficiently and effectively, made decentralisation with popular participation an alternative through which stakeholders could influence and share control over development decisions and resources that affect their lives.[40]

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[38] Data from the World Bank (1999) provided by Weinberger (2000: 3) points out that in 1994, half of all World Bank financed projects involved NGOs; this number increased steadily from six percent between the years 1973 and 1988. Provided that over 15 percent of total overseas development aid now channels through NGOs demonstrates their increasing importance.

[39] For a deeper analysis of the role of NGOs in Latin American development, see the study of Lehman and Bebbington (1998). According to them, some NGOs experience a crisis of legitimacy, financial survival, and ideology partly because state apparatuses have taken over or recaptured their developmental role.

[40] According to Weinberger (2000: 1), the release of the "Policy Statement on Development Cooperation in the 1990s" by the Organization for Economic Co-operation and Development (OECD) in December 1989 marked this new emphasis on participation of people as a prerequisite of development.

From the discussion above, one may conclude this section by affirming that forces promoting both globalisation and localisation are not opposites, but part of the same processes which worldwide go togheter: market-oriented economies and democratisation. Nevertheless, most authors concede, these processes favour the predominance of global forces such as open markets and privatisation that very often go against local actors' interests.

2.1.3 Re-centralise or decentralise the state?

Social movements, governments, international agencies of cooperation and NGOs agree on the advantages of decentralisation policies, especially those that involve peoples' participation. The discussion very often now focuses on the unforeseen effects of decentralisation and to which extent it is necessary and advisable to decentralise. Evaluations of decentralisation impacts point out three main reasons for revisiting decentralisation policies: the effects of the market, the limits of governability, and the role of local elites.

The increasing role of the market necessitates re-defining the structure and role of decentralised states because market mechanisms tend to favour the most competitive groups and production systems, leaving aside the domestic producers and specially those who rely still on traditional ways of production (Work, 2001: 25; Roberts, 2001). In the specific case of Latin America, for example, Vellinga (1998: 18) considers a "fallacy" to suggest that a deregulated market economy could function without the presence of a strong state "however paradoxical this may sound." On her part, Weinberger (2000: 167) suggests that the potential of participation as a self-help mechanism for the poorest people is probably overrated and therefore the state must play a role in providing social services to the disadvantaged. All these arguments point out the importance of a strong central state, at least in regulating some market mechanisms, in order to avoid the widening gap between those with different competitive capacities.

Other concerns of too much decentralisation arise from the studies on corruption and governability. The research of Treisman (2000) offers the most relevance because of its large sample size. His study of decentralisation outcomes in 154 countries suggests that states with more tiers of government tend to have higher perceived corruption. He argues that decentralisation should not be pushed too far, especially in developing countries, because the highest quality of governments tend to occur in less populous countries with unitary states, few tiers of government, relatively large units, a single centralized policy unit and a central legislature in which regional actors lack veto power.

The capture of power by local elites strikes another source of concern that points out the need of central interventions to ensure equitable outcomes and avoid the strengthening of traditional local elites without interests in sharing their power (Crook and Sturla, 2001: 4; Crook and Manor, 1998: 302; Schönwälder, 1997: 754; Jhonson, 2001: 19; Jütting et al, 2004: 21). Even those who argue that an instrumental appropriate design (i.e. organisations, regulations, and norms) offers enough for decentralisation to deliver in favour of the poorest acknowledge that local elites often take leadership roles that "can result in the hijacking of resources unless transparency and accountability are somehow enforced" (Litvack et al 1998: 7). They argue that the central government needs to show concern with equity and protecting the poor in order for decentralisation to result in outcomes other than further inequalities and concentration of resources.

In contrast, recent studies argue for a wider devolution of power in local spaces. For example, Balogun (2000: 166) found out that decentralisation reforms tightly controlled by the central government end up, with few exceptions, consolidating the centre's powers at the expense of the periphery. Oyugi (2000: 13-17), points out that local governments lose voice and initiative in the government process when they must rely on the centre for resources required for their own operation and even existence; despite of this most local governments in developing countries cannot even dream of generating their own.

Considering that even the most decentralised countries do not exclude attributions to the central governments, the question is how to reach a balance between decentralising and the necessary central intervention. Some proposals argue a "sector" approach such as the case of the World Bank which in a report (1999: 22) argues that, for example, decentralising education to community levels shows a positive impact on quality of education but, on the other hand, the report also argues that privatising health services and road maintenance would establish a more important reform than decentralising: "In fact one of the most effective forms of health care decentralisation is to shift power to the patient by changing the focus of government funding… thus allowing patients to choose where they will go for treatment." To others (Hadenius, 2003: 4; Work, 2001: 25 and Lambright, 2003: 430), the best approach would create a balanced dynamic between central and local governments, where the former establishes incentives and "the rules of the game", while encouraging an independent political and administrative dynamic at the local level. Despite the several argumentations in favour and against re-centralisation, not much has been developed in proposing specific measures.

2.1.4 Is decentralisation necessary for development?

The next debate challenges the relationship between decentralisation and development. If development aims at least to reduce poverty, then decentralisation performs very poorly. Many authors (e.g. Blair, 2000,25; Jhonson, 2001) emphasize that despite the high priority given to poverty alleviation by international donors as well as by national governments, decentralisation results in little or no change. In their comparative study of some African, Asian, and Latin American countries, Crook and Sturla (2001) conclude that responsive outcomes to the poor within decentralisation intervention in developing countries happens quite rarely, determined mainly by the politics of local-central relations and the commitment of a national government or political parties to promote the interest of the poor at the local level. Furthermore, they distinguish the effects of decentralisation between responsiveness and its developmental effectiveness, due that it may (or may not) respond to peoples' needs and contribute little to raising the levels of income of local populations which the authors suggest represent a longer term outcome.

Democratic local governments' initiatives encourage participation and increased representation, but they provide little in the way of empowerment and even less in making the distribution of benefits more equitable or reducing poverty (Blair, 2000: 25). Jhonson (2001: 11) supports this view by saying that "whereas democratic decentralisation has improved levels of public participation and, in some cases government accountability, its ability to address rural inequality and poverty has been relatively modest…(Literature review) suggests that even the most successful forms of democratic decentralisation have been unable to overcome economic and political disparities, both within and among regions." Oyugi (2000: vii) further points out that "the causal relationship between decentralisation and development is indeterminate, because it can be decentralisation without development and vice versa."[41]

In any case, some researchers propose more arguments for the relationship between decentralisation and democracy than for decentralisation and development (Diamond, 1999: 21). Moreover, Jütting et al (2004: 3) conclude based on the experience of 19 countries that the claim of donors and development agencies of the role of decentralisation on improving local governance leading to poverty reduction and ensuring broader participation is not only unclear, but also produces opposite effects: "(I)n some of the poorest countries characterised by weak institutions and political conflicts, decentralisation could actually make matters worse."

A review of the literature indicates four main factors constraining decentralisation policies in supporting local development and, particularly, in poverty reduction: implementation problems, lack of responsiveness to specific groups, features of investments, and resistance of local elites. First, experiences in developing countries show that local governments face implementation problems related to lack of resources (economic and human) and to informal patterns of bureaucracy (i.e. political interference, corruption, clientelism). According to De Wit (2000) this weakness explains partially that poverty reduction efforts in many cases remain ineffective. As De Wit (2000: 12), observes "whereas the local government is the key agency with regard to the welfare and well-being of the population of developing countries, it is often also the weakest institution." The high dependency of municipal governments on political parties, partly explain this problem as in many Latin American countries they lack sustained and coherent actions and programs. Lehmann and Bebbington (1998), for example, highlight how empirical studies repeatedly show the public deplores the contrast between their parties' attention at pre-elections time and their lack of interest and support for their sympathisers during the years between elections.

Second, the implementation of decentralisation in many countries has not resulted in supporting the interests of all social groups. Decentralisation promotes participation (and therefore democracy), improves the controlling function by the lower levels of the political system, strengthens the state's capacity for implementation, and has the potential to increase efficacy (Hadenious, 2003: 1). These attributes sometimes translate as the answer to very fundamental peoples' demands under the assumption that by unveiling local concerns, it would respond to everyone. But that seems not to be the case, especially for ethnic and gender claims. Mosse (2001: 36) and De Wit (2000) highlight that participatory planning is consensual and obscures diverging interests and communal internal divisions either by ethnicity, caste, income, or age. For example, Yashar (1997: 13) points out that among Latin American indigenous people, demands include among others the right to territorial autonomy, respect for customary law, new forms of political representation and the right to bicultural education. Far from

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[41] The fact that both decentralisation and development succumb to many interpretations and definitions makes it more difficult to appreciate an established relation among them.

finding response from local governments, these demands surpass their good will and even question their terms of existence.[42]

Third, a paper published in 2000 by Jean-Paul Faguet (2000) provides another plausible explanation for the poor impact of decentralisation in fighting poverty. By supporting the Bolivian case of decentralisation as one of the most radical because of the scale of the change in terms of resource flowing and political power, Faguet studied the change in patterns of public investment. He found that decentralisation changed the composition of investment because while central governments invested mainly in transport, hydrocarbons, multisectoral, and energy, local governments invest more in education, urban development, and water and sanitation. He says that this change of patterns responded directly to indicators of need (e.g. education investment rises where illiteracy is higher) to which local governments acted more sensitively. Nevertheless, when compared with the pre-decentralisation investments by the central government, his study detected no change in investments in energy and decreased investment in agriculture, transport, communication, industry, and tourism at the local municipal level. Although the number of municipalities investing in these sectors increased for all except agriculture, the concentration of investment fell, as poor municipalities need investment in more than one sector (meaning a large number, but often smaller projects). "Hence they will tend to invest in education and water before agriculture, and agriculture before transport or communication." (ibid: 22). He suggests that the centre likely maintains advantages over local government in agricultural research and extension technologies, as opposed to education, water and sanitation, and water management which the local governments provide more efficiently. Unfortunately, this last analysis was not performed for energy or other income-enhancing projects. Nevertheless, his extensive study clearly shows that local governments act more responsively to social needs while costs and capacity as well as social preferences prevent them from investing in more large-scale projects, such as agriculture and economic infrastructure. From the above discussion, we can infer that decentralisation favours the poorest districts or municipalities shortly after implementation mainly by providing them with closer and more efficient social services. But even democratic decentralisation interventions as implemented in most countries fails to increase the capacity to generate income, at least in the short or medium term.

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[42] Considering the high percentages of indigenous population in Latin America, in which Bolivia ranks first with 71 percent (Yasher, 1997: 6), decentralisation processes do not tackle main political and social limitations for further human development.

Strategic projects aimed to generate income then suffer through the fragmentation of investment features in national, regional, and local spheres.

Fourth, the resistance of central and local elites to giving power away may explain to a large extent the bureaucratic obstacles and insufficient resources at local and regional levels as it also may explain the poor or inexistent impact of decentralisation on reducing poverty. At local levels, powerful groups connected to central elites take control of the resources either by delegation or by free elections. Sometimes, these elites tend to sabotage or manipulate projects because they have no interest in furthering the participation of the poor (Schönwälder, 1997; Crook & Sturla, 2001). Accordingly, the results of the study of Jütting et al (2004) conclude that the impact of decentralisation on poverty relies strongly on the capacity and the willingness of policy makers to ensure a pro-poor devolution process. Local elites may be even less likely than national elites to target government resources towards the poor (Blair, 2000: 25). In this regard, de-concentration of resources as well as democratic decentralisation may perversely effect perpetuating unequal economic relations.

2.1.5 The unintended effects: widening local differences

A final relevant debate partially discussed above relates to the effects of decentralisation in local power configurations. Decentralisation is political in nature, since it refers to control over resources as well as rights and possibilities to represent, be represented, and negotiate. Therefore, it also relates with historical conditions, and delegation and transformation of power.

Decentralisation attempts to provide citizens with equal rights to participate and exert influence over the use of local public funding. "Decentralisation may create a more open political system in that it implies a division of powers in society; many channels of representation and power sharing become available. This counteracts the monopolisation of power by certain elite groups, often the consequence of centralised political and administrative structures" (Hadenius, 2003: 1). Nevertheless, many authors raise the concern whether decentralisation perpetuates existing power relations as well as social, economic, and regional inequities (see Schönwälder, 1997: 760; Hadenius, 2003: 3; Arocena, 1991: 63; Balogun, 2000: 170; Crook and Sturla, 2001: 4; Blair, 2000: 25). For example, Jhonson (2001: 13) highlights the numerous studies that point out one of the dangers of decentralisation that "may simply empower local elites and, worse, perpetuate existing poverty and inequality. Whether the introduction of democratic principles – on its own - would overcome the historical and cultural factors that perpetuate political inequality is somewhat doubtful."

The main mechanisms of retaining power may take the form of political co-optation of popular movements, corruption, and patronage. These mechanisms perpetuate the control of local patrons or political elites over material resources as well as over representation and alliances necessary for the decentralisation to consolidate the shape of democratic elected bodies and execution of projects.

Additionally, social groups embedded in Western models of organisation and with better comparative advantages (i.e. economic possibilities, insertion to the market, social status), may experience better advantages and re-affirm their positions than those not sharing the same *cultural repertoires*[43] and economic conditions (see Wimmer, 2001, Long, 2001 and Canclini, 1990 mentioned by Escobar, 1995: 219). For women, to change their own position would be even more difficult because a married woman's status tends to be derived from that of a male, mainly her father or husband, because domestic labour is seen as a pseudo-occupation, not contractually defined and not recruited through a labour market (Scott, 1996: 127).

This section of the chapter shows that the terms "decentralisation" and "participation" acquire different meanings, create different expectations, and result in different outcomes depending on both the shape of the implementation and the local conditions. The latter is more relevant when one considers the application of uniform policies and even distribution of resources in different social contexts within the same country. Here, I highlight one example concerning land distribution. Arispe (1978, cited in Wimmer, 2002: 142-3), tells the story of two villages in Mexico that received the same amount of land but their inhabitants 40 years later found themselves in totally different positions due to the implications of their different ethnic background (Mestizo and Indian). According to Wimmer, the more advantageous position of the Mestizo was possible because of their direct access to the network of administrative and political power while the Indians experienced less comparable educational opportunities and found themselves under the intermediation of the *caciques*. This story resembles reported impacts of land reforms in Bolivia and Brazil as following chapters show for the Bolivian case. Gender impact assessments also make explicit how differences in status and economic position between men and women determine different policy outcomes of land distribution (see for example Avilés, 1997).[44]

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[43] *Cultural repertoires* characterise the differentiated stock of cultural components that relate to differences in lifestyles, social values, and rationales for living (Long, 2001: 242).

Because of its relevance to the study, section 2.3 examines in detail patterns of power concentration in Latin America. As a background to this discussion, the following section introduces concepts on social differentiation and power and reviews the characteristics of class relations in Latin America.

2.2 Social differentiation, power, and participation

This study assumes that social differentiation is one of the main explanatory factors for the outcomes of decentralisation and popular participation policies because it dynamically results in a *continuum* of historical conditions, the frame of local psychological, social, and political actions, and the ground where external factors (i.e. markets, immigration, policy interventions) take shape. As summarized by Crook and Manor (1998: 302): "(E)ven the most appropriately designed institutions for decentralisation cannot work independently of or even against contradictory forces coming from the social and political structures within which they are embedded."

2.2.1 Social differentiation and power

During the planning and execution of policies, reforms, and development projects, local actors, groups, and organisations struggle to achieve their own goals. These goals may oppose each other's interests and even the interests of the same authorities planning and executing the interventions. Long (2001: 31) argues that "the separation of 'policy', 'implementation' and 'outcomes' is an over-simplification of a much more complicated set of processes which involves the reinterpretation or transformation of policy during the implementation process itself …" He calls for understanding the processes by which interventions enter the life worlds of the individuals and groups and different groups internsalise external factors differently given that "rather than eliminating social and normative struggles, intervention practices are likely to radicalise them, introducing new discontinuities[45] and heightening confrontations between differing interests and values" (ibid: 41).

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[44] For other studies on development interventions that spur wider social polarisation, see for example Shefner (1998: 200).

[45] Social discontinuities refer to discrepancies in values, interests, knowledge, and power of groups or individuals (Long, 2001: 243).

Individuals and especially groups driven by different interests perform different strategies and have different capacities to manoeuvre and exert power. Members of the same social group share similar characteristics that distinguish them from others. Nonetheless, the discussion on how to define social groups, either by social classes or by social categories such as ethnicity, gender and other identities, remain far from consensual.[46] For example, Scott (1996: 2) sees the division by social classes reduced only to an economic dimension according to the groups' position in the system of production. To him, "class is ceasing to have any relevance for individual and social identity, having being supplanted by the more salient divisions of gender, ethnicity and sexuality." On the other hand, Veltmeyer et al (1997: 55) claim that popular resistance and opposition derive from "objective and subjective conditions of productive class relation and not from the localized politics of gender and ethnic 'identity' as argued by proponents of post-modernising theories…" A recent research trend defines social groups using categories relevant to the studied subject. For instance, some authors include in their categorisation aspects such as generational layers, religion, caste, occupation, and even the use of territorial space (see for example Paulson, 1999).

In this study, I rely on the definition of Scott (1996: 1), who remarks that the social stratification of a society can be most straightforwardly defined as its internal division into a hierarchy of distinct social groups, each with specific life chances and a distinctive style of life.[47] This definition is intentionally broad but at the same time reduced to stress the similar capacities of the members of one group to exert power and influence their own and other people's lives.

According to Long (2001: 71), individuals do not simply possess, accumulate, and unproblematically exercise power. Long considers power as a "product" rather than a "given" because "it is the outcome of complex struggles and negotiations over authority, status, reputation and resources, and necessitates the enrolment of networks of actors and constituencies." Concentration of power in some individuals or groups does not mean that the other actors do not exert it. Above forces may manage the poor who lack equal power with officials, but as many studies show, the poor also actively interpret the rules to their advantage and manipulate opportunities (see Long, 2001 and Roberts, 2001). This implies that external and structural conditions influence the shape of the capacity of various actors to reconfigure their own manoeuvring capability. Precisely as an external force, development interventions attempt to introduce changes to influence the manoeuvring capacity through, for example, increasing knowledge or economic possibilities. With this in mind, this study attempts a comprehensive understanding of local relations of power by analysing the social actors' performance and the external forces (e.g. implementation of decentralisation policies) within which they take action along with the historical events that influence their choices and capacity to manoeuvre.

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[46] See for example Bottero and Kenneth (2003) and Bottero and Irwin (2003) for a discussion on class, social stratification, and the role of social categories such as class, race and gender in social differentiation.

2.2.2 Who participates and why?

As highlighted in section 2.1.5, many studies conclude that the observed effects of decentralisation reinforces powerful local groups' positions due to pre-existing social inequalities. This conclusion applies equally to democratic decentralisation processes accompanied by formal participation. Some of these processes even resulted in the central and local elites reassuring their positions of power (Jhonson, 2001; Henkel and Stirrat, 2001; Balogun, 2000; Blair, 2000). To better understand why decentralisation with participation may lead to the exclusion of some groups, one may refer to the early work of Milbrath, 1965 (cited by Nelson, 1987). According to him, participation is goal-oriented; therefore, people participate if government policies and programs are relevant to their interests and if they perceive themselves with the power to influence them. Therefore, higher education, status, and income may play a role. In terms of a second determinant studied by Milbrath, people with longer time of residency, secure property status, and who are not members of minority groups, or in short, people well integrated into the community, are more likely to be politically active. That explains not only that marginalized groups participate less, but also that "(I)n developmental perspective, more privileged groups usually become politically active earlier than the less privileged" (Nelson, 1987: 107).

Other authors such as Pearse (1970) support Milbrath's arguments, pointing out that the development of systems of values and beliefs within the group discriminated against reinforce their own situation. Some gender studies emphasize the role of internalised constraints in limiting groups normally the lower in their respective hierarchies, to participate and even exercise their rights. These terms may explain the lack of responsiveness of some successful interventions to "vulnerable groups" reported by many authors (e.g. Crook and Manor [1998: 301] in regard of decentralisation in India). Undoubtedly,

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[47] This definition responds to the Weberian tradition that approaches stratification from three different components: class based on economic relations to the market, status, and affiliation in the political party domain. All three have consequences for what Weber called "life chances."

authoritarian and patronage practices reinforce and perpetuate even more these internal constrains, which the application of formal norms and regulations failed to eliminate.

Women and minority ethnic groups participate less and are less represented in local governments (Nelson, 1987; Blair, 2000). Blair (2000: 24) points out that the promise of a group's increased representation leading to empowerment in democratic local governance delivers only partially. In the case of female representation, he argues than when not mandated in local councils by law (e.g. through specific quota), women fare poorly in elections. He also concludes that local governance empower ethnic groups who are minorities nationally but who concentrate only in certain geographic areas.

One of the main mechanisms that constrain grass-roots participation may be the assumed superiority of professionals, technicians, and planners who classify, give order, and categorise projects and people (see for example Work, 2001: 25). This is more so considering the discussion of labelling in development projects by Escobar (1995) and Long (2001), who argue that labels determine access to resources so that people must adjust to such interpretative schemata (categorisation) to succeed in their dealings with organisations. Planning institutions, according to procedures presented as rational, create decentralisation jargon such as "theme", "agenda", "sector", "sub-discipline" and others "in a way that planning is depoliticised and bureaucratised" (Escobar, 1995: 111).[48]

A more subtle reason for preventing participation by technocrats is that they directly benefit from the inequalities which they could fight against. Since programs' priorities and objectives are subject to "expert" interpretation and accommodation in the field, they can be diluted through manipulation. Researcher in the field of gender studies have already called attention to the nature of the "evaporation" of (gender) policies due to resistance within the bureaucracy of developmental agencies that translates fundamental concern into diluted actions (see for example Hlupekile Longwe, 1997).

2.3 Social differentiation and patterns of power concentration in Latin America

Because of the relevance of social differentiation in this study, this section briefly reviews the literature on class formation and relations in Latin America, with particular emphasis on rural societies. It also describes the main patterns of power concentration identified in the literature as persistent in the region's politics since early independence and before.

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[48] On labelling as an attempt to establish superiority of the discourse of planned intervention see also Long, 2001: 35.

2.3.1 Paths of social differentiation

Authors such as Ferranti et al (2003), Mahoney (2003), Vellinga (1998), and Wiarda (1981) present strong arguments to explain the persistent conditions of inequality in Latin American as a result of patterns of colonisation and state formation after independence. One of the most enduring and influential institutions brought forth by Spanish conquerors took the form of large private properties (*haciendas, fincas, estancias)* as the base of the social and economic system of organisation. The haciendas originated from land grants by the Spanish Crown (*mercedes reales*) and to the *encomiendas* (Stavenhagen, 1971: 7, Pearse, 1970: 15). The former, were forms of land granting given to the soldiers and "adventurers" who conquered parts of the continent. The latter were granted in order for the *encomenderos* to Christianise the natives within specific territorial borders. The encomenderos had the right to exact tribute in kind from money and services from the native peasants but not to directly take their land. After some years, the encomenderos changed the original purpose of the encomiendas and divided the land for inheritance and market purposes.[49]

Independence did not fundamentally change the structures of colonial economic and social power. The power of the Creoles, as the former Spanish colonisers before them, was in great extent based on their privileged access to land (and other natural resources) and to the labour of the masses of the indigenous populations throughout the region. Soon after independence, members of the military, the clergy, and landowners found competition from the increasing bureaucracy of the state. This neglected to eliminate their power and instead consolidated it in specific spheres. For example, the clergy lost power in state affairs but through their Christianising missions gained indisputable rights to own land and to intervene over both the native population comunities and small town politics. More than that, the cleargy contributed to reproducing hierarchical structures by opening up paths of colonisation for the Creoles in low lands and by supporting their settlement and subjection of the indigenous. The military were not only involved in the post-independence colonisation of inhospitable regions, but they were also involved in repressing indigenous rebellions elsewhere. Military members themselves gained ownership of large pieces of land received as a prize for their services either in indigenous revolts or in the frequent disputes with other nations. By the 17th century, the hacienda and plantation systems ordered

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[49] According to Stavenhagen (1971), the private property of land had not developed among the pre-Hispanic population and common landtenure was widespread. Often, though, plots were allotted to families and tribute was rendered to the state (in Inca and Aztec cultures).

Latin American rural agrarian structures. The latter were developed mainly in the Caribbean and in Brazil while the former dominated the more densely populated highlands areas.[50] Before and after independence, the haciendas supported provision of food and materials to the colonial and national economies based on minning exploitations, especially in Bolivia, Mexico, and Peru.

The haciendas used native communities for cheap labour through the peonage or obligation of the native population to serve for days of labour. Few free communities (or *Ayllus* in the highlands) survived, but they and even small Spanish agriculturalists were related to the haciendas through occasional or periodic employment (Stavenhagen: 1971). The patrons served as the ruling class over the other groups comprised by eventual workers and peons. The latter provided the main labour force behind the system in exchange for low wages and their rights to cultivate a piece of land or sharecropping. Through continuous indebtedness to patrons who provided food, clothes, and staples at inflated prices, generations of indigenous people subordinated in the haciendas.

The hacienda or *latifundio* system was then based on hierarchical structures, social distance, absolute authority, and a discretionary character of decision-making (Vellinga, 1998: 10). The patrons monopolised the commercialisation of the products, and furthermore acted as intermediaries between the indigenous communities and the political outerworld. The large landlords as a class historically acted as the most anti-democratic force in society, and have resisted democratisation particularly when closely allied with the state apparatus (Potter, 1997: 20-21). In all post-colonial societies in Latin America, landlords in fact allied with the state apparatus via clientelist relations, supporting regimes in exchange of favourable land policies. Some landlords accounted their wealth not as a result of land exploitation but from mining or commercial actitivites. Nevertheless, they retained their haciendas as a sign of status and power. Their settlement in the main urban areas allowed them to participate in political decisions and favour directly the interests of the patrons.

Agrarian reforms took place in many Latin American countries; the most remarkable for their radical form includes the Mexican (1917), the Bolivian (1953) and the Cuban (1959) reforms. Agrarian reforms attempted not only to redistribute land from few landlords to many peasants and the state but also to pass property, power, and status to the peasants (see Flores, 1970: 151). Although re-distribution of land partially succeeded, the status of the indigenous people remained in the same lower strata of the social, economic, and political structure because the reasons behind their marginalisation persisted: lower education, lower access to economic resources, and discrimination due to their condition as indigenous people. As a reflection of the ethnic discrimination, the term "peasant", as the term "Indian" before, remained as a reference to the indigenous people even if they become traders or moved to the cities. On the contrary, the Creoles kept their identity (given and assumed) as patrons or entrepreneours. This gave place for many authors to specify the term "peasant" as agriculturalists from low economic and political status (see for example Landsberger and Hewitt, 1970: 560 and Havet, 1985: 67). In the case of Bolivia, Albó (1999: 19) specifies the term "*campesino-indígena*" (peasant-indigenous) to refer to those who are natives socio-culturally and also at the same time peasants because of their socio-economic activity since "there are cases on which clearly one is the second but not the first or the other way around… but the border to determine who is indigenous peasant, who is not anymore and who never was is not clear."

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[50] According to Pearse (1970: 15), agricultural exploitation or "estates" were varied enterprises "as *fundaciones* and *estancias* for cattle raising in the Upper Orinoco or Tierra del Fuego, for the *engenhos* or *usinas* producing sugar in Campos or north-eastern Brazil, the *plantaciones* producing bananas and sugar on the coasts and islands of the Caribbean or cotton on the

After land reforms took place, the inferiority of the peasants in national and local spheres continued as a major factor impeding development and as a condition for peasants' lack of political leverage (Pearse, 1970). By the 1970s, land still remained the main source of wealth and power in the traditional rural economy. Kay (1997:6) argues that agrarian reforms resulted in the modernization of the hacienda system rather than in its elimination. Large landowners dominated access to resources such as water and credit, not only because of their wealth but also because of their status in the agrarian structure (see Landsberger and Hewitt, 1970 and Barraclough and Domike, 1970). In communities dominated by traditional latifundia, practically every one depended on the patron. Public officials, including the police and army, commonly deferred to the patron because of his influence at provincial and national political levels, thus making the patron's continued good will necessary for their job security. Even churches and schools depended on his favour for their prosperity. For their contacts with the outside world and access to product-marketing and services, the patrons in the haciendas that survived land reforms, as well as town-dwelling politicians, merchants, and secular and ecclesiastical officials in the communities where land was distributed still provided mediation for the peasants (Barraclough and Domike, 1970: 53-54).

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irrigated Pacific coast of Peru, for the grain and cattle haciendas of the Andean Highlands, and the various types of *fazenda*

The poor conditions of the peasants in the countryside and new opportunities opened by incipient industrialisation in the cities drove many of them to migrate. Strong processes of urbanisation took place in Latin America since the 1940s. In 1940, the urban population accounted for 40.2 percent and in 1990 for 60.7 percent of the total population (CEPAL, 2004). At the same time, the importance of the agricultural sector declined from 44 percent of the total value of exports in 1970 to 24 percent in 1990 (CEPAL, 1993, cited by Kay, 1997). Traditional landlords' economic power declined after the 1970s and 1980s because of the increase in labour costs, national economic crisis, and the opening of markets and the export orientation of agriculture. In some cases, landlords transformed their haciendas into agrobusinesses but many of them were displaced by more competitive enterprises. Small landowners, for their part, could not enjoy the benefits from financial, organizational, and technological requirements of export products beyond the reach of their economy (Kay, 1997: 3). Although some of them participated in the production of agro-industrial products, other sections of the peasantry simply drifted further into poverty. This process varied within regions and countries, according to the extent in which the country developed its agroindustry. For example, Mexico and Chile exemplify countries with developed agro-industries, while countries such as Bolivia and Peru mostly rely on traditional agricultural production.

Especially after the land reforms and with the implementation of '*políticas indigenistas*' and agricultural programs, the role of technocrats has increased steadily. Silva (1998: 85) suggests that the presence of bureaucrats and the plain acceptance of technocratization influenced the de-radicalisation of many left-wing groups and social movements. This acceptance of technocratization came as a prerequisite for modernisation because of the need to account with institutions (both international and national planning and technical agencies) responsible for carrying out industrialization and urbanization processes (see Escobar, 2002). The masses of professionals involved in development projects and administration of the states originated from both the upper and middle classes with privileged access to education (when compared to the majority of indigenous peasants). As resources increasingly flowed from international agencies through the national agencies, the presence of the white-mestizo professionals in the rural areas brought about a new form of subordination of the peasantry. This time, it resulted not from the power of land ownership and capital, but on the power of specialized knowledge. Likewise, with the democratisation processes consolidated in the region by the middle of

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in Brazil."

the 1980s, indigenous peasant interests were “represented” by populist or technocrats from the middle classes. The peasants’ relations with the political parties were and still are characterised by imposed candidates and representatives, mediation through clientelist relations either by their own or external leaders, and vague proposals on how to specifically address peasants’ social and economic interests.

Part of the problem, some authors suggest, is the lack of cohesion and class consciousness among the peasants themselves (see for example Landsberger and Hewitt, 1970, Hobsbawn, 1973). The lack of peasants’ cohesion around common interests occur for two main reasons: their clientelist relations with town-dwellers, traders, white-mestizo (including political parties), and even their own peasant leaders, and their own internal increasing socio-economic stratification. The increase in temporary rural labour in agro-industries during the last decades may have also deepened the fractured peasant movement (Kay, 1997: 11).

Among other authors, Kay (1997: 17) suggests that Latin America’s peasantry appears trapped in a permanent process of semi-proletarianisation and of structural poverty and that Latin American poverty directly relates to unresolved agrarian problems. Key writes, “Neither the State-driven import-subsitution-industrialization development strategy from the 1950 to the 1970s nor the debt-and deregulated market driven process of the 1980s and 1990s have been able to resolve the peasant question” (ibid: 12).

To conclude this section, I highlight three of the aspects discussed above. First, patterns of land distribution since the colonial times gave shape to the rural social structures, influencing and being influenced by political and economic power in the urban centres. Latifundism and minifundism were and still remain main features of Latin American land tenure structure, but as units of social organisation, they have become more complex with the temporary asalaried work of peasants in the urban areas and the patterns of temporal work in agrobusiness. This influences further economic and social differentiation among those with enough land to establish market activities, those with few means to survive and who must rely on migratory incomes, and the landless who depend on migratory activities or others in their home area. Second, the inferiority of indigenous peasants’ condition remains subordinate to the mestizo because of their lower access to education and technical and financial means, political patron-client relations, and differences in values and knowledge from which Western ones are considered “superior.” Third, in the last decades, the diffusion of power in two different arenas contributed to peasants’ lack of cohesion and capacity of contestation. In the political arena, the fractionalisation within different political parties is evident, and in the economic one, the emergence of different kinds of patrons (landowners, traders, agrobusiness, and urban contractors) from whom is difficult to identify a common pole of domination.

2.3.2 Patterns of power concentration: corporatism, clientelism and patrimonialism

Latin American states are still associated with their historical legacy of anti-democratic and exclusionary practices of corporatism, clientelism, and patrimonialism (Schwartzman, 1974: 90; Roberts, 2001: 2; Domingo, 2001: 141; Vellinga, 1998). According to Vellinga (1998), the origins of these practices go back to the colonial regime dominated by an authoritarian and centralist system of administration and control. The Creoles preserved this system in order to protect their particular interests after the wars of independence. A small oligarchy of landowners, the military, and the clergy concentrated power by dominating all land, labour, and capital and by creating clientelists relations with the native population. With time, the state extended its influence and managed the interests of the oligarchy through corporatist structures in combination with clientelist networks across and beyond the state. Once the export economies of Latin America collapsed in 1929, a new development strategy towards internal markets emerged (the import substitution model). Then, populist forms of governments emerged[51] but kept their hierarchical and authoritarian structures. At that time, extensive clientelists networks served as a mechanism for class control. Once on its turn, the model of import substitution collapsed (between the 1950s and 1970s) new alliances comprised by the middle classes, bureaucrats and technocrats opted for a bureaucratic authoritarian state. This centralist and paternalist state survived until the next changes brought about by the economic crisis of the 1980s and the neo-liberal adjustment policies. Though radical economic and social changes took place, clientelist, patrimonialist and corporatist patterns of the old state endured (see Vellinga, 1998). The remaining section of the chapter, describes these three patterns on Latin American politics.

First of all, I refer to corporatism. The “corporatist ideology” involves some intragroup autonomy and self-regulation, but the state grants and regulates the very existence of groups and their relationships with each other. Although it contains many variations, “corporatism refers to the way social groups are organized and relate to each other and to the state.” (Schwartzman, 1974: 91-102). According to Wiarda

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[51] In this context, ‘populist` refers to the doctrine that supports the rights and powers of the common people in their struggle with the privileged elite. Paradoxically, this doctrine is personalised on a charismatic individual that exercises power by maintaining direct and non-mediated contact to a largely unorganised mass of followers.

(1981:117-134), corporatism resided in the left as well as in the right, both traditional and modern Latin American regimes. As an on-going tradition and culture of the region, it remains as a form of socio political organization which serves as "a means both of change and of control" (ibid: 134). Schwartzman (1974: 102) points out that one of the main features of contemporary corporatism includes the co-optation systems which lie midway between corporatism and open interest-group politics. Political co-optation, he says, could be considered as a type of corporatism because it links a whole section of society to the state and grants special social and economic rights to workers outside the market.

Besides political co-optation mainly practiced by political parties, local technocrats may also act along a corporatist line because of their capacity to regulate the group relations of others and to grant their existence. Technocrats in local governments easily engage in political projects rather than in only technical ones by strengthening civil society through formation and consolidation of functional groups.

A second pattern in Latin American politics is patrimonialism. Since the early works of Weber, patrimonialism has been considered as a form of traditional domination (Schwartzman, 1974: 93). By definition, patrimonial power includes an element of tradition, which makes it a type of domination and an element of discretion which has at least two components. First, tradition may mandate that the ruler can rule as he pleases. Second, the patrimonial ruler exerts unchecked leadership (ibid: 95). Although this system resembles patriarchy, it differs from it by depending less on tradition and more on handing out benefits or, in other words, distributing prebends (University of Oslo, 2003: 3).

Some authors argue that patrimonialism still survives through neopatrimonialism and also through bureaucratic domination. Neopatrimonialism is characterised by combining a patrimonial logic with a formal state bureaucratic system where bureaucratic and patrimonial norms co-exist (University of Oslo, 2003: 3). Schwartzman (1974: 99) explains how bureaucratic domination resembles the modern version of traditional large-scale patrimonialism: "The problems and issues of a modern, underdeveloped 'patrimonialistic' regime should be considered in terms of its system of bureaucratic domination, rather than in terms of some eventually surviving traditional patterns of behaviour and values."

Patrimonial rulers and patrons, whether persons or groups, exert favouritism. Although favouritism is intended to maintain the dominating position of patrons and rulers, it may also originate in economic inequalities, poverty, and lack of resources of the state (Vellinga, 1998: 11). As Wimmer explains for the case of developing states: "… these modern goods *(equal treatment before the law, protection form arbitrary violence, political participation, infrastructure projects and so on),* cannot be spread equally over the entire population, simply because the state is not strong enough and does not have enough resources to make these accessible to everybody. Where only one freeway can be built on the entire territory … where the police cannot possibly establish a well-staffed post in every neighbourhood of the capital, favouritism solves the problem. It also allows the new elite to create a group of followers and to secure their political support" (Wimmer, 2002: 93).

A third and last element referred to here as a persistent pattern in Latin American politics and probably the most widespread and enduring one is clientelism.[52] There are at least two general criteria that characterise political clientelism. First of all, it is based on private-informal relationships between actors of unequal power and status. Second, these relations are translated into political subordination of the less privileged in exchange for services or material rewards[53] (Fox, 1994b: 153; Zaman, 1983: 606; Amsbury: 1979: 88). "(C)lientelism operates where the least privileged members of a society are called upon to vote for candidates for political office in exchange for access to resources that are controlled by the state…. What is alternatively referred to as universalism exists when state resources are distributed not as favours to be begged or bartered for, but as entitlements or rights" (Gay, 2001: 3).[54]

But clientelism is not only about votes. It is also put in practice when politicians integrate bureaucrats into patron-client networks by giving positions within the administration to political supporters (Kurer, 1997: 67) and when political parties control candidates who owe their conditions as such to the political-party elite more than to the voters (Jackisch, 1998: 22). Therefore, the patrons do not necessarily establish their clientele networks using their own economic or social resources; rather, their power derives from their access to resources of the state and their capacity to channel them to their supporters.

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[52] The practice of clientelism is so embedded in Latin American politics that some authors argue not to look at it as a persistent abnormality but as a political institution (García-Guadilla, 2002: 93).

[53] Amsbury (1979: 88) argues that in a patron-client relationship, one part assumes the role of protector and the other the role of "protected". One common perception states that the person protected is inferior and owes gratitude and other services to the protector and the protector provides a better fate than that fate which requires protection against.

[54] For example, Mathew & Mathew (2003: 21 - 23) describe clientelism in the context of decentralisation for the case of India. Patrons in this case would be the political leaders and candidates which, in looking for their "vote banks", grant favours by passing or even violating laws, rules, and norms. For them, as well as for Gay (2001: 31) and Fox (1994b: 160), clientelist practices penetrate and even instrumentalise democratic systems.

Since clientelism assumes different forms, from explicit exchanges of favours to forms difficult to distinguish from normal politics, no clear cut to its borders presents itself. For example, García-Guadilla (2002), argues that among the marginalized groups or "lower classes", the most frequent type of clientelism is the traditional vertical relation of exchange of subsistence benefits in exchange of votes. Meanwhile, more horizontal relations that result in semiclientelism would take place when clients belong to upper and middle class sectors. In the words of Fox (1994b: 157-158), "semiclientelism" describes the practices which rely on unforceable deals (clientelism) but also attempt to violate the right to associational autonomy - in other words, the "grey area between authoritarian clientelism and pluralistic citizenship rights" more common in democratic and development negotiations.

What some authors call clientelism in the development and political world, others identify as brokerage. For example, on his work of development brokers in Africa, Bierschenk (2002) analyses the intermediary roles and functions of individuals and organisations at the intersection between two societies. He argues that development brokers may speak both the development and the peasant language and they may be recognised by the two societies from which they intermediate. While pursuing their own interests, brokers contribute to the fragmentation of power in the village. We may then conclude that brokerage is another type of client-patron relationship, although necessary for the implementation of policies and development projects. No agreement exists, however, about the borders between brokerage and clientelism. On the one hand, Zaman (1983: 607) states that some authors consider that the role of the patron ought to be distinguished from the role of "broker" or "middleman". He defines a broker as a professional manipulator of people and information who makes contacts between persons, groups, structures, and even cultures. Therefore, a broker is a mediator who, in the case of land rich rural elites, for example, "mediates between the village system and the larger world in order to further their own political careers both within and outside the local political arena." Bierschenk (2002: 21-29), on the other hand, argues that no clear line separates brokerage from other forms of mediation and that brokers are not necessarily cynical intermediaries or insincere, but rather that sincerity or even faith in development is an important quality in a broker.

2.3.3 Overcoming undemocratic practices: control from below

Many studies (World Bank: 1999; Diamond, 1999: 21; Mathew & Mathew, 2003: 22) point out the exclusionary practices described in the section above as responsible for many of the shortcomings of decentralisation programs. International agencies and academics alike highlight the potential of good governance and political culture[55] to overcome these practices and reinforce good rules and incentives, especially in the political system.

Mechanisms of control accompany all democratic decentralisation interventions in order to avoid or limit the discretional misappropriation and misuse of public funds. Some countries establish control from the centre, others encourage local stakeholders to monitor local government actions, and most of them devise mixed mechanisms. Control from the centre is mainly based on documentation and regular visits to the field, but they lack efficiency, particularly in poor countries (see Hadenius, 2003: 5).

Mechanisms of control from below based on the supervision of local population over local governments are complex but involve peoples' participation through information and sometimes veto power. The sources of control vary from country to country, involving existing organisations such as churches, unions, associations, or in other cases, newly created instances such as the vigilance committees in Bolivia. A fair amount of literature exists on the characteristics, limitations, and potentialities of these groups. It may be sufficient here to point out that these oversight bodies, immersed in the local arena, could on one hand strengthen the accountability of local governments, and therefore their legitimacy. On the other hand, since they are subject to co-optation, submission, and clientelist practices, they may also hold back changes or even worsen power inequalities (see Hadenius, 2003: 7). Hadenius (2003: 158) suggests that strong opposition parties contribute to a higher degree of accountability. Therefore, fair political party competition may function as an efficient mechanism of control. Organisations not affiliated with political parties may ideally conform oversight bodies but, in practice, this has been difficult to implement. Successful cases are reported, though, when political action is involved in breaking down practices such as clientelism and patrimonial patronage (see Fox, 1994b).

This section of the chapter explained how peoples' status and undemocratic patterns in Latin America persist as constraints for democratic participation and access to benefits from interventions. It also explained how these patterns survive under the "neo" and "semi" classifications in the bureaucracy of development projects and political practices. As dependant on the concerned actors' capacity to exert influence and negotiate, these patterns do not always work in the same way nor result in the same outcomes.

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[55] Political culture is identified as having a direct relation between the governments and their stability. The political culture of a society is related to the people's predominant beliefs, attitudes, values, ideals, sentiments, and evaluations about the political system of their country and the role of the self in that system (Diamond, 1999: 163).

2.4 Summary of the chapter

The first part of this chapter discussed the controversies from the applied as well as the academic literature surrounding popular participation and decentralisation. Among them, this chapter highlighted the relationship between local social structures and the outcomes of state policies and development interventions. From the literature review, it concludes that policy interventions, even those accompanied by democratic practices, do not eliminate the existing local socio-political inequalities but give room for the actors to transform, accommodate, and even instrumentalise the new interventions. The second part of the chapter discussed social differentiation and power in relation to policy interventions and provided explanations on why people would either participate or continue marginalized. The third part of the chapter briefly reviewed Latin American paths of social differentiation as based on historical conditions and practices perpetuated in current politics.

From the literature review introduced in this chapter, it is important to remark that although many studies now establish the importance of challenging power structures for decentralisation to be effective, few of them attempt to identify either the historical patterns that explain the concentration of power by privileged groups or the mechanisms behind persistent inequalities in the observed outcomes. Furthermore, for the case of Bolivia there is little written on the composition of current local power structures and even less on its influence on the application of decentralisation policies. This study attempts to contribute to this research gap by identifying historical events that explain persistent power inequalities and the mechanisms through which power is either challenged or maintained within the Bolivian's particular decentralisation model. The study attempts to identify these events and mechanisms by bringing into focus two factors. The first one is the difference in the socio-political and cultural background of the actors involved which many authors point out as fundamental in determining policy outcomes (see for example Long, 2001 and Wimmer, 2002 cited above). The second factor is the role of political parties and professionals. Authors such as Long (2001), Lehman and Bebbington (1998) and Nijenhuis (2002) mentioned above highlight this factor from different perspectives as relevant in influencing the capacity and ability of people to take advantages of the opportunities opened by the democratising process, such as decentralisation itself.

CHAPTER 3: FRAMEWORK OF THE DECENTRALISATION PROCESS IN BOLIVIA

Decentralisation policies, like all development interventions, are implemented in already on-going social and political local processes. This chapter aims to provide the background of these processes in Bolivia and to describe the characteristics of the Bolivian model of decentralisation. The chapter divides into three parts. The first part provides a background on the main historical events that affected Bolivian provinces after the Independence in 1825. A more detailed description of the impact of these events in the studied municipalities appears in chapters 4 and 5. Part two of the chapter focuses on the main organisations relevant to the decentralisation Bolivian process. Next, it explains the origins and contents of the Law of Popular Participation (LPP), Law of Administrative Decentralisation (LDA), and Law of National Dialogue (LND) as the main legal pillars of the decentralisation process. Finally, it gives an outline of the current state of the process and the socio-political context.

3.1 Historical background

After its independence from the Spaniard domination (May 25th, 1825), Bolivia kept its multiethnic composition - mainly Spaniard descendants (Creoles), Mestizo, and various indigenous groups - under a new socio-political regime. Although the "*Medidas Bolivarianas*" of 1825 aimed to eliminate the colonial practice of unpaid work and indigenous exploitation and to grant land to indigenous populations, the Creoles took control over distribution of property and resources and usufruct rights to land. After the declaration of the Independence and even before, Creoles and some Mestizos took over extensive plots of land and, especially in the Westerns areas, controlled rich mining resources. The colonial economic structure then relied on two pillars: the mines and the latifundist agrarian structure to which belonged the hacienda, the Indian community, and the minifundio (García, 1970: 302).

3.1.1 The hacienda system and the mining exploitations

The first fifty years of the republican life reduced indigenous peoples' rights by imposing high taxes on them and selling their land to wealthy or well-connected people.[56] The hacienda system expanded, especially at the end of the 19th century, based not only on the exploitation of medium and large extensions of land but also on the servitude of their indigenous inhabitants. Its main characteristic was the relation of patronage and domination based on holding peons indebted for a lifetime to the landowner. The patron provided food and clothes to the peons in exchange of free labour force and absolute submission.

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[56] Urioste (2002: 3) remarks the decrees of the president Melgarejo (1867) that attempted to eliminate the traditional forms of indigenous organisation in communities and Ayllus. Melgarejo declared the land as state property and authorized its selling in public auctions.

The *hacendados* exercised power over their own local domains but comprised an unstructured dominant group. They encountered obstacles such as lack of connections to the markets and their high geographical dispersion all over the country. Along with the hacienda system, other forms of land tenure subsisted along the country, such as small plots and indigenous free communities (KADASTER, 1998: 21).[57]

Powerful mining owners dominated the social, political, and economic spheres from two centres of power, Sucre and La Paz, until the beginning of the 20th century.[58] After a short period of recession of the national mining exports, the free exportation of minerals was declared in 1872. Since then, private capitals exploited rich mines of silver first and tin later from where some of the richest men around the world emerged.

Political struggles played around private interests on minerals, exploitation, and transportation, involving the highest authorities of the country. At that time, the Bolivian state was subdued by the big mining enterprises, dominated by powerful mining lords, and supported by the patrons in the countryside (Echazú, 2000: 40-49). The mining exploitation, as in the case of the haciendas, relied on the cheap labour force provided by indigenous people who retained no political representation whatsoever in the successive liberal or conservative governments.

3.1.2 Changes in power structures: the Chaco War (1932 – 1935) and the National Revolution (1952)

The Chaco War (1932 – 1935) and the National Revolution (1952) were the main historical events that changed the balance of power in Bolivia and set the tone for future power patterns. According to

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[57] Free communities represent currently 3 percent of the Department of Chuquisaca (KADASTER, 1998: 21).

[58] The shift of the administrative capital from Sucre to La Paz in 1899 as a result of the Federal Revolution (1898-1899) provides an illustration of the power struggles of that time. The revolution was originated on the political differences

Urioste, (2002: 3) the Chaco War between Bolivia and Paraguay meant the end of the power system built around the mining and *latifundio* exploitations. The Chaco War awakened social forces, including the military, urban workers, middle classes, and peasants that questioned not only how a country with some of the world's richest men suffered defeat for lack of resources but also the inability of the state to fulfill the most essential needs of the population (see Echazú, 2000: 49 and García, 1970: 305-308). After this, liberal political parties took control. They enacted a series of measures to give rise to a more independent Bolivian state. One such measure was the Code Busch, the first labour code in Bolivia, allowing the right to form unions, to strike, to enjoy paid holidays, and others.

A coup d'etat finalised the period of social reforms in 1939 as a result of internal divisions between powerful groups and the influence of the mining owners. Since then, indigenous revolts and violence in the highlands and valleys of Bolivia increased in frequency while in the East and Chaco areas power balance went uncontested in favour of big hacendados. Most of indigenous-Guaraní people who were employed during the Chaco conflict to open roads and transport supplies returned to work as peons on the haciendas while others escaped to Brazil and Paraguay. The Chaco War meant the expansion of the Hacienda system in the Chaco area: "(After the war) several civil and military ex-combatants chose to remain in villages and agricultural areas, joining the regional population" (Chávez, 1995: 19). Supported by governmental policies, part of them took over indigenous-Guaraní and unoccupied land and established new haciendas.

It was only until April 9th of 1952 when all the liberal ideas and indigenous rebellions materialized in a popular insurrection led by the Nationalist Revolutionary Movement (MNR). The main changes brought about by the revolution were: the nationalization of the mining sector, abolition of servitude, all-inclusion of the right to vote, and the passing of the Agrarian Reform Law in 1953.

3.1.3 The agrarian reform of 1953 and the INRA law of 1996

The Agrarian Reform Law (August 2nd, 1953) initiated an important process of land redistribution. The law aimed particularly to distribute land to peasants, to abolish their status as servants, to stimulate internal migration, and to industrialise the agricultural sector. In order to comply with some of these objectives, haciendas were expropriated or taken by force all along the country and occupied by family

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between the liberals and conservatives, but the decline on silver prices and increase of tin prices influenced the change of economic interests from the central areas of Sucre to the highlands in La Paz.

peasants.[59] This redistribution of land and the abolition of servitude initiated the downfall of the hacienda system. Later on, the increase in labour force costs and a decrease of prices of agricultural products lead to the elimination of most haciendas in Bolivia.

Peasants were targeted as the developmental state expanded. According to Yashar (1997: 20), the practices that addressed Indian-peasants in the social and economic polities resulted in greater state patronage in agricultural rural areas and peasants increased their economic independence from landlords. Evidently, the national revolution in Bolivia resulted in the reaffirmation of indigenous as peasant class and the country-wide formation of strong peasant unions under a tight control of the political party in power (MNR).

Nevertheless, the results of the 1952 revolution and the 1953 Agrarian Reform vary in intensity throughout the country. In most of the highlands and valley, it meant the legal distribution of land to indigenous populations and the strengthening of their organisations through peasant unions.[60] In the lowlands and Chaco areas, people still consider the proces unfinished due to structural reasons (i.e. deficient communication systems, roads, smaller and highly dispersed population) and the action of dominant groups that fought to maintain their privileged position. As a result, large areas in the lowlands and Chaco area still remain under *latifundio* systems and some kinds of illegal servitude still persist (see Urioste 2002, Healy, 1982).[61] Parallel to the distribution of land, it was the establishment of rural development projects that, as a state policy, concentrated on areas prepared to operate as enterprises (in relation to private commercial banks and the services market) and left aside the poorest and most traditional communities (García, 1970: 327).

Since the agrarian reform of 1953, consecutive governments have used land distribution as a mechanism to reciprocate or buy political favours. The delays in granting land to indigenous populations, alarming levels of corruption, and inefficiency led in 1992 to the interventions of governmental organisations responsible for distributing land: the National Council of Agrarian Reform

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[59] Before 1952, 70 percent of all cultivated agricultural land lay in the hands of 4.5 percent of rural landowners. Sizes ranged from 1,000 to 10,000 hectares (cited by Urioste, 2002: 4).

[60] Starting in 1952, rural communities organized themselves countrywide around peasant unions (Sindicatos) in networks comprised by local, regional, and national bodies.

[61] The Agrarian Census of 1984 revealed that large extensions of unproductive agrarian systems (latifundios) covered still 62 percent of the land in the Chuquisaca department representing less than 1 percent of agrarian units, while very small units (minifundio) covered only 6 percent of the department and represented 68 percent of agrarian units (KADASTER, 1998: 22).

(CNRA) and the Colonization Institute (INC). The intervention process planned to last for four months instead lasted for three years until the INRA law passed in 1996.[62]

Through the INRA law, the Bolivian state aimed, once again, to eliminate forms of *latifundio* and favour small tenants. The INRA law establishes the reverting and redistribution of lands that fail to fulfill a social function or fail to comply with tax obligations; the law also provides the protection of small peasant properties and communal land from being reverted or divided.[63] Nevertheless, some highly criticise both provisions. First, taxation based on owners' assessments of their land's value gives room for manipulation, and second, the protection of small peasant properties and communal land implies the impossibility for small owners to sell or use their land as collateral for loans.

Five years after the INRA law passed, its contents remain unknown for most of the population. Still worse, its application continues partially and slowly while land conflicts increase in violence and frequency.[64]

3.1.4 The consolidation of the centralist state

Military forces took power in 1964 after 12 years of MNR's rule (1952-1964). Military dictorial regimes governed the country with populist measures similar to violent repressions. Colonel Barrientos, president from 1964 to 1969, destroyed the mine worker's union, suppressed all strike activities, disarmed the miners, exiled union leaders, occupied the mines with its military troops and in 1967 massacred families of miners. On his part, Banzer, president from 1971 until 1978, abolished labour unions, closed universities and violently suppressed strikes and all kind of opposition. Another series of shorter but equally violent military regimes alternated with civil governments until 1982, when the country finally recovered its democracy.

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[62] The INRA law or Law of the National Institute of Agrarian Reform passed in 1996 after a series of debates but without reaching acceptance among the majority of peasant organizations.

[63] INRA law arts. 58 and 59 and Regulatory Decree of the INRA law art 48.

[64] The application of the INRA law focuses on the clearing of land property rights (saneamiento) rather than the reversion and granting of land. That means that plot borders are being clearly defined and assigned to their current tenants. Although necessary, the saneamiento process faces many criticisms because, first of all, in more than ten years, it failed to reach even half of the country, and on the other hand, it disappointed the majority of peasants by starting processes in the less populated areas (where medium and big landowners secure their property rights). Due to the absence of the state and competent authorities, many communities proceed to internal saneamiento to solve quarrels over land at the interior of the community. Quechua municipalities of Chuquisaca are the first in which Fundación TIERRA supports this process.

During the dictatorships, important amounts of credit were allocated to modernisation processes attempting to create agricultural industries and modern infrastructure. Most of the resources were spent on promoting agro-industrial crops in the eastern parts of the country along with the constructions of roads and the opening up of Development and Public Works Committees (later called Development Corporations [CORDES]) in the nine departments of Bolivia.

A strong state in tone with the "bureaucratic-patrimonialist, corporatist, centralist, and authoritarian tradition of Latin America" (Vellinga, 1998: 27) enforced such a political and economic project to which Bolivia was not an exception. In fact, the military regimes consolidated a strong centralist, hierarchical, and authoritarian state. As for the case of many Latin American states, Vellinga points out (1998: 7) that the ruling military, the landowners, and the clergy managed the expansion of the state very often through corporatist structures in combination with extensive clientelist networks. In the same line, Hofmeister (1995: 99) and Yashar (2004: 225) highlight the clientelistic and paternalistic nature that characterised the relation between the state and the peasants after 1952. The most important example in Bolivia is the Military-Peasant Pact (*Pacto Militar-Campesino*) signed in February 1964. Under the pact, the campesino militias agreed to adopt an anti-leftist stance and to subordinate themselves to the army. The pact, nevertheless, ended when the government tried to impose taxes on peasants resulting in a violent response and loss of support in rural areas.

The Developmental Corporations (CORDES), were created at the end of the 1960s in all Bolivian departments in order to execute state projects in all Bolivian departments. The state acted as the main investor and owner of natural resources, exploitations, and communication services. The then strong central state identified specific geographical areas as "*Polos de Desarrollo*" (development poles) to invest and develop exports markets. The military regimes clearly favoured the lowlands and Chaco areas because of their richness in oil and other natural resources as well as personal interests of appropriating large pieces of land in those areas.

At the end of the military regimes in the late 1970s, Bolivia and particularly the rural areas started to gain familiarity with the term "Popular Participation." Programs such as those of the FAO and some NGOs ran based on the assumption that rural development projects failed so far due to a lack of grassroots consultation and participation. More than that, they claimed that only if the *campesinos* gained means of full participation could development achieve its goals.

Many projects thus adopted the participatory approach, meaning processes of consultation, diagnosis, and involvement on public works of mainly rural poor and women.[65] The rich communal organisations in the highlands and valleys echoed the intervention of NGOs and international cooperation by facilitating the self-diagnosis of communal needs, priorities, organisation, and socio-economic structures. Eventually, regional corporations first elaborated a systematic planning in Bolivia using scientific methods, and as the case of Chuquisaca, involved civil society in the formal discussions.[66]

The military regimes eventually failed in Bolivia due to many factors such as declining petroleum production, excessive expenditures by subsidising governmental agencies, divisions among military in the highest echelons, social pressure mainly from mining workers and leftist ideologists influenced by Marxist thought, and the withdrawal of U.S. support for the dictatorial regimes. The transition to democracy in 1982 came along with the worsening of the economic crisis. The Structural Adjustment Program (SAP) addressed this in 1985. The SAP prescribed by the World Bank and the International Monetary Fund and adopted to the letter by the Bolivian government reduced the size of the state and also its role as main investor, regulator, and main owner of services and the exploitation of natural resources. The SAP decreased alarming levels of inflation[67] but at the same time increased the number of jobless people and worsened living conditions countrywide. The succeeding four democratically elected governments continued the adjustment policy and deepened processes of privatisation.[68]

3.2 About Bolivian socio-political organisations

Before describing the contents of the Laws of Popular Participation and Administrative Decentralisation, it is relevant here to briefly describe the most widespread and traditional forms of organisation in Bolivia: peasant unions, ayllus, capitanías, urban neighbourhoods, civic committees, and political parties.

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[65] A report of the FAO (1994: 37) mentions regional projects promoting peoples' involvement, mainly on forestry (PLAREG, 1993) and others from the UNDP, Food World Program, International Fund of Agrarian Development, World Bank, and others.

[66] In Chuquisaca, the Departmental Council for Social Development already existed in 1989, comprised of 13 governmental and non-governmental organisations. The council worked on social issues as well as environmental concerns, rural development, methodologies, and others. Nevertheless, the work of the council operated still from the top to the bottom, and in some cases, local elites used the council to satisfy their own demands (Nijenhuis, 2002: 49).

[67] By 1985, annual rates of inflation reached an "unfathomable" 25 thousand percent (Yashar, 2004: 260).

[68] Revolutionary Leftist Movement, MIR (1989 – 1993); Revolutionary National Movement, MNR (1993-1997); Democratic Nationalist Action, ADN (1997-2002); and MNR again (2002 - until October, 2003 when an independent cabinet replaced the government).

3.2.1 Rural social organisations

Indigenous peasant communities are organized in *Sindicatos* (peasant unions); indigenous traditional communities are organized under *ayllus;* and indigenous-Guaraní and other indigenous people inhabiting lowlands are organized under *capitanías*. They operate on the basis of collective decisions made in communal meetings, which internal elected authorities often propose (normally adult men). The authorities make decisions concerning familial and communal conflicts, political and social representation, and use and sometimes ownership of natural resources and other matters, but normally under approval of the communal assembly.

Peasant unions emerged as a result of the National Revolution of 1952, which encouraged their communal, regional, and national organisation in a web that involves all the country's peasants (see annex 5.2). According to Yashar (2004: 221), the creation of union networks displaced the patrons as mediators with the state and inserted union structures to perform this mediating role as interlocutor between the community and the state and the political parties. The central organisation of the peasants, the *Confederación Sindical Única de Trabajadores Campesinos de Bolivia* (CSUTCB) was founded in 1979. The CSUTCB, nevertheless, was frequently overshadowed by the matrix organisation of Bolivian workers *Central Obrera Boliviana* (COB) founded in 1952, which kept paternalist relations towards the CSUTCB (Hofmeister, 1995: 99).

Membership in peasant unions is based on land ownership within the boundaries of the community and is awarded to the head of the family, commonly an adult man. Title security over their land is the main concern for most small and medium land users, since land granted to them from their parents lacked legal documentation or was not updated when passed on to them. They also face the excessive fractionalisation of their land (*minifundism*) due to successive divisions by inheritance. Their small plots (sometimes few furrows) are not enough to provide subsistence and thus motivate indigenous-peasants to migrate. Landless people are relegated to the lowest category in the rural areas. They receive no rights to anything because they lack full membership in the community. Since the members of the community comprise the peasant unions, after the Law of Popular Participation (the territorial based organisation) their lower status persists.

The situation of rural women remains even worse as peasants consider their sons the primary subjects of heritage, not their daughters (Fundación TIERRA, 2002). Traditions and stereotypes still limit womens' access to the land. The INRA law of 1996 modifies the provision passed by the 1953 law in which only widows or women with small children were entitled to land "independent of their civil status" (art. III.V). But the new law fails to establish any preference in favour of women, leaving the matter to traditional mechanisms. That means, in the end, that the current male dominated land tenure system will perpetuate under the peasant union structures and the patterns of inheritance that exclude women (Avilés, 1997: 92).[69]

Other forms of communal associations are the Ayllus, more traditional organisations which correspond to old settlements (some date from the Incas' time) and to a more homogeneous socio-political composition. The Ayllus are rural communities that survived the expansion of the haciendas although some had relations with them.[70]

In the lowlands, Guaraní organise in communal capitanias. After a long period of disorganisation under the hacienda system, when only few free capitanías subsisted, they re-emerged thanks to the work of the NGO CIPCA (Centre of Promotion and Research of the Peasantry) in the Southeast of Bolivia to finally constitute in 1987 the *Asamblea de Pueblos Guaraníes* (Guaranis' People Assembly) as its maximum representative organisation that consists of more than 80,000 Guaraní.[71] The *Central Indígena de Pueblos y Comunidades Indígenas del Oriente Boliviano* (CIDOB) was founded in 1982 in the lowlands of Santa Cruz and the Chaco. By the 1990s, CIDOB expanded its scope to form a confederation that included the entire Bolivian Amazon, encompassing more localized indigenous organisations that emerged in successive years (Yashar, 2004: 278). In Chuquisaca, the Council of Guaraní Captains (CCCH) created in 1994 supported the liberation of many Guaraní tied for life to their patrons through endless debts. Resources flowing from the international community bought land for them and provided technical means of production (I discuss the situation in detail in chapter 4).

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[69] This is clear from the recent data obtained by the web of NGOs in Chuquisaca, UNISUR (2000) that report that among four types of goods, land, land with irrigation, animals, and houses, women only likely receive as heritage more animals.

70 Currently, the *Consejo Nacional de Ayllus y Markas del Qullasuyu* (Qullasuyu National Council of Ayllus and Markas) encompasses approximately 543 ayllus in Chuquisaca, Potosí, Oruro, and La Paz. Ayllus are not present in the municipalities of this study.

[71] www.cidob-bo.org/regionales/apg.htm

3.2.2 Other social organisations

While the three mentioned rural organisations play a social, economic, and political role, the situation is different in the case of the urban organisations. They commonly organize around practical needs such as security, electricity, and basic sanitation. The cohesion of neighbourhoods (as a group) always remains lower than in rural communities, especially in the biggest cities where people pursue more diverse interests. Nevertheless, small and recently created cities comprised by immigrants tend to show not only practical ties among neighbours, but also social and economic ones. These neighbourhoods played a decisive role during the last Bolivian riots of 2002-2003, especially the one of El Alto in La Paz comprised by Aymara immigrants.

Civic committees (CC) represent another countrywide form of civil society organisation. They were established during the 1950s as the "most effective instrument for regional fights" (Nijenhuis, 2002: 47). Their elitist composition and their capacity to capitalise regionalist feelings in the "defence" of regional natural resources always supplied strength to the civic committees. They assumed the political representation of vast regions (provinces and departments), but never managed to democratise their internal compositions and decision-making process. According to Hofmeister (1995: 100), during the authoritarian regimes, the committees acted as important sectors of social representation. Nevertheless, several interviewes pointed out that, in fact, some regional CC members served as agents of political control useful for the violent regimes. Once the democracy recovered in the early 1980s, the CC intensified their proposals for a decentralised federalised state not based on municipalities but on departmental governments (De la Fuente, 2002 and Mayorga, 1991).[72] The richest civic committees of the lowlands and Chaco areas have been always the most active. The recent confirmation of large gas reservoirs within their territory (2003) prompted their demands for greater autonomy and gave place for further discussion about what extent Bolivia should further its process of decentralisation.[73]

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[72] De La Fuente (2002: 4) mentions that the CC of Santa Cruz, Cochabamba, and Chuquisaca presented decentralisation projects at the beginning of the 1980s. Political parties followed these projects and forced traditional parties to look at their demands. On his part, Mayorga (1991: 36) highlights the third Congress of Civic Committees that, as a whole, proposed the creation of departmental governments comprised by democratically elected provincial representatives.

[73] The increasing autonomy of the regions is the central topic of the coming "*Constituyente*" or popular consultancy over the contents of the constitution announced by the present government for 2005.

3.2.3 Political parties

Liberals and conservatives initiated the Bolivian political party debate at the end of the 19th century. Both, nevertheless, competed to represent the dominant classes. Liberals and conservatives maintained a relation of patronage with the indigenous population and used them politically for their own interests (Echazú, 2000: 48-69-73). As mentioned before, leftist political movements emerged with force against the rich land and mining lords only after the Chaco War. Among them, the MNR, founded in 1942, remains the only surviving political party. The next two most popular political parties, the MIR and the ADN, were founded in 1972 and 1979 respectively. The rest emerged after the re-opening of the democratic system in 1982.

Political parties in Bolivia lack popular prestige and confidence because they keep their vertical, centralist, and clientelist practices under leader-caudillos who in many ways prevent internal renovation and democratisation. This instigates practices that further discredit political parties, such as members of parliament increasing their own already high salaries, superfluous expenditures, cases of corruption and abuses of power, and successive "political pacts" among parties which show a high level of pragmatism rather than a common ideology. In 1999, after more of a decade of consideration, the parliament approved the Law of Political Parties which regulates their internal organisation. So far, the results appear mixed, with the traditional parties still showing resistance to effectively establishing more democratic practices within their regional cells, members, and sympathisers.

Now, the so called "traditional" political parties (MNR, MIR, ADN) distinguish from the populist parties (UCS, CONDEPA, NFR), peasant, and coca-producer-supporting parties (MBL, MAS) and other minor indigenous-oriented parties (MRTK, MIP) because of their convergence with the agenda established by the U.S. and international agencies. The three of them, MNR, MIR, and ADN have occupied the national governments since 1985 under common characteristics such as the prevalence of clientelist politics, increasing technocratic and top-down policy making, and submission to the neo-liberal agenda of international agencies (Domingo, 2001: 153 and Hofmeister, 1985: 99).

As the following tables show, the late 1980s witnessed the emergence of new types of populist parties. Populist caudillist leaders founded the *Conciencia de Patria* (CONDEPA) and *Unión Cívica Solidaridad* (UCS) in 1989, which kept paternalistic relations with their followers. Soon after its leader died, CONDEPA collapsed into internal disputes and divisions while UCS still survives under the weak leadership of the son's ex-leader.

Table 3. 1: Results of national elections 1985 - 2002, in percentage of votes

Position	1985	1989	1993	1997	2002
FIRST	32.8 (ADN)	25.8 (MNR)	35.6 (MNR)	22.26 (ADN)	22.46 (MNR)
SECOND	30.4 (MNR)	25.2 (ADN)	21.1 (ADN)	18.20 (MNR)	20.94 (MAS)
THIRD	10.2 (MIR)	21.8 (MIR)	14.3 (CONDEPA)	17.10 (CONDEPA)	20.91 (NFR)
FOURTH	26.6 (Other 15)	12.3 (CONDEPA)	13.4 (UCS)	16.77 (MIR)	16.31 (MIR)

Source: Data for 1985, 1989, and 1993 taken from Hofmeister (1995: 71) based on Hofmeister (1993) and Mayorga (1994). Data for 1997 and 2002 correspond to the National Electoral Court available at www.cne.org.bo

The last national elections were scenes of an important change due to the emergence of political parties representing coca-producing peasants, indigenous-based political movements, and grass-roots urban movements. The discontent of the population with the MNR, ADN, and MIR manifested as the emergence of the Movement Toward Socialism (MAS) as a second national political force, but most importantly, it served as the final and for a long time unprecedented sum of social forces around common demands such as grass-roots representation, transparency, and independence from external influence over national affairs. Contrary to the emergence of other political parties historically led by the white-mestizo middle classes, the MAS leaders include also *Colla* peasants mostly comprised of ex-miners who migrated towards the lowlands after the economic crisis of 1985. They produce coca, among other crops, and made the cultivation and commercialisation of this product their initial fight. The strength of their unions and combative past now contribute to radicalising the peasant organisations (see Hofmeister, 1995: 100).

Table 3.2: Results of municipal elections 1995 – 1999, in percentage of votes

Position	Elections 1995*	Elections 1999
First	21.3 (MNR)	20.4 (MNR)
Second	17.4 (UCS)	15.9 (MIR)
Third	15.4 (CONDEPA)	14.6 (ADN)
Fourth	13.2 (MBL)	11.8 (UCS)

Source: Data for 1995 extracted from Hofmeister (1995: 89). Data for 1999 extracted from the National Electoral Court available at www.cne.org.bo

The recent municipal elections of December 2004 confirmed the MAS as the first political force with 18.23 percent of the votes, followed by the Movimiento sin Miedo with 8.65 percent. As it is yet too early to evaluate the impact of the presence of MAS in the local governments, stating two points should be sufficient. First of all, the depth of the political crisis that originated the appointment of the independent political party president and the ministerial cabinet at the beginning of this year (see section 3.7) and the results of the last municipal elections confirm an increasing awareness among the population about the incapacity of the traditional parties to represent their interests. Second, it questions whether what extent the MAS will polarise the political forces and will define a clear political line or whether it will dilute into internal differences among their Aymara and Quechua peasants, colonisers, and white-mestizo middle classes sympathisers.

3.3 The Bolivian Popular Participation Law

Most of the debate on the origins of the laws of Popular Participation and Administrative Decentralisation point out a series of political, social, and technical conditions surfacing at the beginning of the 1990s. The internal political conditions emerged from two sources. First, they emerged from the constant pressure of departmental civic committees fed by local powerful groups, although with the ultimate purpose of consolidating their position. Second, they arose from the pressure of some political party members showing sympathy towards increasing participation in local decisions. At the same time, social pressure increased over the recognition of indigenous territory and identity, workers' better living conditions, and womens' socio-political and economic inclusion. The indigenous people, women, and workers all asked for a more participative representation. An increasing number of professionals working in governmental and non-governmental sectors also comprised a social force willing to redesign the centralist state. Finally, technical conditions also contributed as several decentralised experiences went on separately in several scenarios: urban municipalities and development funds (Medina, 2001: 45-46), the Development Corporation of Chuquisaca (Nijenhuis, 2002: 47), and many NGOs throughout the country.

The influence of international agencies, mainly the World Bank, was instrumental in passing the laws of PP and AD. They prompted for a decentralisation according to the economic measures implemented in the middle of the 1980s which argued for a more efficient and liberal state.

All these conditions gave birth to a particular project of decentralisation which started with the passing of the Law of Popular Participation on the 20th of April, 1994.[74] The LPP is recognized as the most ambitious attempt in the region to include historically marginalized social groups in national life as explicitly mentioned in the following objective:

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[74] The government of Sánchez de Lozada (1993 - 1997) was characterized by a series of legal modifications: reforms in the National Constitution (1994), Law of Capitalization (1994), Law of Educational Reform (1994), Law of the National Agrarian Reform Service (1996), Law of Popular Participation (1994), and Law of Administrative Decentralisation (1995).

> "The present law acknowledges, promotes and consolidates the popular participation process articulating indigenous communities, indigenous peoples, peasant communities and neighbourhood organisations on the legal, political and economic national life, improving the quality of life of Bolivian women and men, with a more equitable distribution and better administration of public funds. Strengthening economic and political tools towards a more perfect representative democracy, incorporating citizen participation in a participative democratic process and guaranteeing equality of opportunities in representative levels for both men and women" (Art. 1, LPP)

As pointed out in chapter 1, the LPP caused four main changes: it encouraged peoples' participation in local development, it reformulated territorial jurisdiction over rural areas as part of the municipalities, it reformulated national public expenditure, and it brought the political party system of representation closer to the people. The following sections explain these changes in detail.

3.3.1 Peoples' participation in local development

Article 2a of the LPP grants legal status to indigenous communities, indigenous people, peasant communities and neighbourhood organisations by recognising them as Territorial Base Organisations (TBOs): "(The LPP) recognized almost automatically 20,000 TBOs, among them 12,000 peasant communities and 8,000 neighbourhood organisations" (Grebe, 1997: 173). This recognition not only legally acknowledged the existence of traditional forms of organisations and their authorities but also linked them with the state by giving them a role in the municipal spheres.[75]

Among others, TBOs were given the duties of identifying, giving priority, and cooperating in the execution and administration of public works and promoting the equitable access for women and men to representative levels (Art. 8). Of note here is that the LPP, like other regulations that came later, establishes favourable conditions for women to achieve equitable status with men. But, at the same time, it acknowledges "local uses and customs" and allows many real practices to go unchallenged. In any case, the immutable 30 percent quota for women mandated by the Law of Political Parties (Law

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[75] The LPP recognizes traditional authorities - Capitanes (Guaraní authorities), Jilacatas, Curacas, and Mallkus (Aymara and Quechua communal authorities) - and the general secretaries of peasant unions as representatives of the TBOs according to their "uses, customs and statutory dispositions" (Art. 3).

No. 1983 of 25/06/1999) promoted in fact more participation from women as municipal councillors than any other position.

Although this model of decentralisation prevented the overtaking of power by elitarian groups (i.e. civic committees or others), it also marginalised groups of producers and allowed for a larger marginalization of landless people who lack a voice or vote in communal meetings because of their lack of memberships in peasant unions as mentioned above. I discuss this aspect in the following empirical chapters.

As mentioned before, the LPP expanded the attributions of the MGs (Mayor and Councillors) and municipal officers. The new attributions involve a new form of municipal planning established in the *Norma de Planificación Participativa Municipal* (Municipal Participative Planning Norm, SR216961, 1997) centred on the participation of social organisations (mainly TBOs) in the design of local development. The two instruments of participative planning are the Municipal Development Plan (PDM) and the Annual Operative Plan (POA). Because of its technical character, the PDM is elaborated by NGOs or consultancies which must elaborate a five year plan based on grass-roots consultation.[76] Municipal officers elaborate the POA based on the demands of TBOs every year. Along with the peoples' demands, the POA also must reflect the medium-term planning established by the PDMs. The vigilance committees, in representation of TBOs, evaluate the POA since passing to the implementation phase requires its prior approval (see annex 3.1 on the stages of the participative planning process).

The vigilance committees (VCs) constitute a fundamental creation of the LPP and aim for people to participate in controling the actions of the local governments. They articulate TBOs with the governments through the surveillance of an equitable distribution of resources between urban and rural populations, control over expenditures, and pronouncements over the municipal budget and reports. Commonly, TBOs in every canton elect a representative to the vigilance committees (figure 3.1). The committees exert the power to denounce mismanagement of resources to regional and national authorities. If MGs do not clarify denouncements, national authorities may order the "freezing" of municipal resources (Art. 11, LPP).

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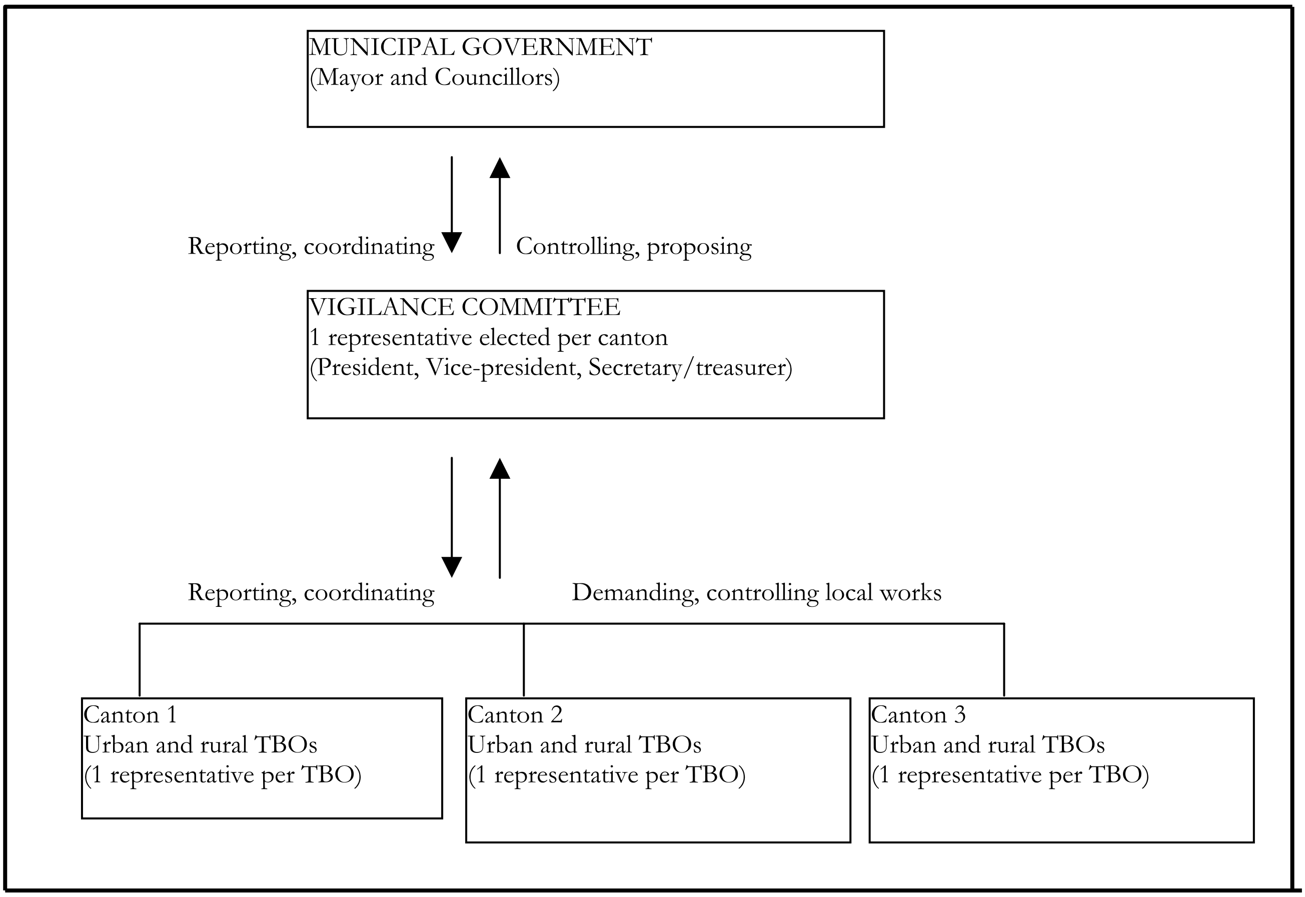
[76] The PDM contains a municipal diagnosis, a strategic vision, and a five year plan.

Membership in the vigilance committees is voluntary. Membership entails no economic retribution as in the case of mayors, councillors, and sub-majors but it carries status and influence over municipal affairs. In the 10 years of PP in Bolivia, many experiences have been recorded in regards to the VC, most of them reporting poor performances due to the cooptation of political parties, lack of resources, lack of experience, and others such as physical distances from rural cantons to populated villages where the MG operate. In spite of these weaknesses, as corroborated by this study, the VC in the rural areas gain high appreciation as an instance of representation and control.

Figure 3.1: Relation of the vigilance committee with territorial base organisations and the municipal government


MUNICIPAL GOVERNMENT
(Mayor and Councillors)
Reporting, coordinating
Controlling, proposing
VIGILANCE COMMITTEE
1 representative elected per canton
(President, Vice-president, Secretary/treasurer)
Reporting, coordinating
Demanding, controlling local works
Canton 1
Urban and rural TBOs
(1 representative per TBO)
Canton 2
Urban and rural TBOs
(1 representative per TBO)
Canton 3
Urban and rural TBOs
(1 representative per TBO)

Cantons occupy a lower political-administrative unit than the municipality.
Source: Fieldwork, 2003.

3.3.2 Rural-urban municipalities in Bolivia

The Law of Municipalities of 1985 already established that the local population should elect municipal councils under political party representation (Art 14, Law 696 10/01/85).[77] However, consecutive elections showed a very low participation of rural people because 36 percent of people lived then in communities of less than 250 inhabitants which did not benefit from any investment. From the rest of the Bolivian population dispersed in 124 towns (with population above 2,000 inhabitants) only 24 managed resources sufficient to administrate some projects (Molina, 1997: 34). Therefore, people in the small towns never considered taking action in the rural areas and rural inhabitants felt unconcerned with what they considered as urban issues. Rural inhabitants also faced more practical constraints to participation: political parties then promoted their candidates only in the urban areas (Rojas, 1997: 299) and most of them lacked identity cards necessary for voting (Nijenhuis, 2002: 48).

The direct election of *Agentes Cantonales* (Cantonal Agents) was effective in the rural areas. Since they were elected in order to promote urban development (Law 696, Art.40), without more resources than their own minimum salaries, their position adopted only the character of a formal nomination. *Agentes Cantonales* enjoyed no real power in comparison with the peasant union leaders (see Rojas, 1997: 228). NGOs, the church and international agencies were the real agents in charge of development projects in the rural areas, but they were distributed very unevenly throughout the country and lacked common strategic lines. The government was present through health and education systems, but under an inefficient centralised management and very poor conditions for most of the rural areas.

The LPP for the first time drew explicitly the territorial jurisdiction of the municipal government to the provincial section (municipality), making clear the competences of the MG over rural and urban areas (Art. 2). This measure made a revolutionary impact in the political power-balance in many municipalities where indigenous populations overtook municipal councils, and even more so in regard to the quantity of rural works implemented in both infrastructure and personnel assigned to health and education services in the rural areas.

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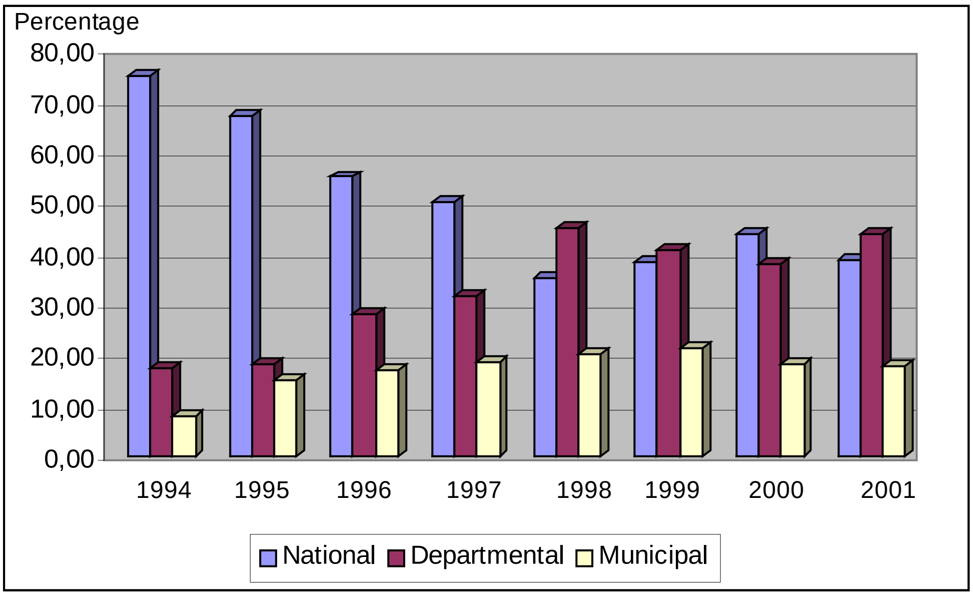
[77] Bolivian LPP and LAD were not the first attempt to establish municipal political autonomy. "From 1878 to 1942 a new municipal code authorized direct elections, but it was in force only five years. From 1949 to 1987, no local government elections took place, municipal councils were abolished altogether, and mayors were once again appointed by the central government." Municipal elections were held for the first time in decades in 1987 (World Bank, 1999: 13).

3.3.3 The reform of the public expenditure

The LPP establishes the egalitarian distribution of 20 percent of the *recursos de coparticipación tributaria* (co-participation resources) in a per capita basis through the 314 Bolivian municipalities (Art 2c).[78] With this provision, the majority of the municipalities increased their share of resources from 7 percent to 46 percent and those of the three largest cities of Bolivia (La Paz, Santa Cruz, and Cochabamba) decreased it from 92 to 70 percent. (Medina, 1997: 145). Nijenhuis (2002: 56) mentions data of the SNPP (1996), showing that the share of the national tax income in 1993 was 92 percent among the ten largest cities while the majority of the population received only 7.9 percent. This figure changed in 1995-96 to 39 percent and 61 percent respectively. Almost overnight, more than 300 municipalities secured the capacity to invest resources they had never seen before[79] and to attract even more through the national funds of social and development investments (see figure 3.2).[80]

Figure 3.2: Percentage of spending on public investments, 1994-2001



Source: Based on data provided by VIPFE and VPEPP mentioned by Peres (2003: 14)

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[78] The *co-participación tributaria* is the transference of resources coming from the national income - taxes over surplus, goods, and others in favour of municipal governments (20 percent) and public universities (5 percent).

[79] In nine years, the total of resources administered by municipal authorities was three million of dollars, equivalent to 29 percent of the total public investment. With these resources, more than 70,000 projects were executed in the 314 municipalities (Ardaya Salinas, 2003: 43).

[80] At the time of the LPP passing, the municipalities could have access to financing from the Fondo de Inversión, Fondo de Inversión Social, Fondo Nacional de Desarrollo Regional, Fondo de Desarrollo Campesino and Fondo Nacional del Medio Ambiente.

The LPP also stipulates municipal rights over taxes on rural property, urban buildings, and vehicles (Arts. 19 and 20). These rights received support by governmental and non-governmental organisations in building up a better system of urban cadastre that extends municipal tax collection capacity. Furthermore, in 2001, thanks to the Initiative of Highly Indebted Countries and the Law of National Dialogue (LND, section 3.4), municipalities again extended their potential sources of financing.

The norm establishes fixed quotas per item in municipal expenditures: 20 percent on current expenditures such as salaries, desk materials, and others of bureaucratic functioning; a minimum of 30 percent on the social sector; 20 percent in education and 10 percent in health; 25 percent to promote the productive sector; and the last 25 percent to a “multi-sector”. So far, an overwhelming predominance of investments on the social sector persists (Ayo 2003: 144).[81] The reasons identified are threefold. First, investment in health and education are consistent since upper levels of administration (prefectures and respective ministries) follow up the municipal actions. Second, school and health centre infrastructures along with items for personnel are easier to plan and execute than medium or long term strategic plans. Third, local demands remain high for health and education because they tend to benefit the entire community, thus bringing less conflict of interests. According to the Ministry of Sustainable Development (2000: 45), the offers from the MGs also distort the demands for investments in the productive sector. As discussed in the following chapters, the offers of the MG are, in time, induced by the menu of projects offered by NGOs and the international community.

The norms on resource allocation established by the decentralisation regulations remain quite complex because of the many modifications, exceptions, and differentiations involved. figure 3.3 shows a simplified version of the current available economic resources for municipal investments.

3.3.4 Political system closer to the people: local elections and municipal governments

The passing of the LPP opened the possibility of voting and being elected within the jurisdiction of the municipality for peasant-indigenous people who before were far from the formal political-party representation system. This possibility linked to the expansion of the political-party system of representation because, until the beginning of 2004, it was the only mechanism of representation allowed by the state political constitution (see section 3.7 for the changes to the new constitution).

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[81] Ayo (2003: 144), remarks that in the year 2000, municipalities invested 70.5 percent on the social sector, 18 percent in infrastructure, 10 percent in ‘multi-sector’ and 1.5 percent in support to productive activities.

Consequently, political parties reproduced their practices and strategies in the local arena. The most immediate effects at the local level were the involvement of previous indifferent or excluded actors as candidates and voters and the depolarisation of the political discourse by the creation of political-party alliances (see Rojas, 1997 and Toranzo, 1997).

The third of December of 1995 marked the first municipal elections after the LPP passed. In the occasion, a noticeable increase appeared in the percentage of voters compared to the previous election of 1993 (Rojas, 1997:231). It is not possible, however, to clearly identify how much of this change is attributable to the lowering of the age for voting from 21 to 18 years (Reforms to the Constitution, 1994) or to the real interest of voters. What is very clear from data presented by Rojas (ibid) is that the gap between the percentage of voters in the urban and rural areas stayed the lowest (10 points) among the five consecutive municipal elections since 1987.[82] Additionally, data presented by Nijenhuis (2002: 94) show that the absolute number of the population that voted in municipal elections in 1993 doubled in the municipal elections of 1999 and that the share of non-voters of the total population entitled to vote decreased from 47.1 percent to 31 percent.

The participation of people was not only impressive in terms of voting, but also as elected representatives. In 1995, 464 indigenous and peasant authorities were elected as councillors or mayors, and more than 500 were elected in the subsequent municipal elections of 1999, representing more than one quarter of the municipal seats (see Ayo, 2003: 141). In the last municipal elections of 2004, changes in the constitution allowed indigenous people to introduce their own candidates without the intermediation of political parties; they won 105 councillors in 65 municipalities (5.8 percent of municipal seats). In spite of several indigenous and citizen groups participating in the elections, political parties still attracted 77 percent of the votes. But even then, a major change took place: the MAS obtained the first majority by winning 25 percent of the municipal seats, although mostly in the rural areas. These results point out two conclusions: first, there is a tendency for the voters to walk away from the traditional political parties in power for two decades without challenging the democratic institutions and norms, such as the municipal elections and the constitution themselves. The second and more relevant conclusion for this study is that the passing of the LPP is both the result of a social-technical and political process toward a more participative democracy and also the beginning of a series of legal measures that reinforce and further this participation.

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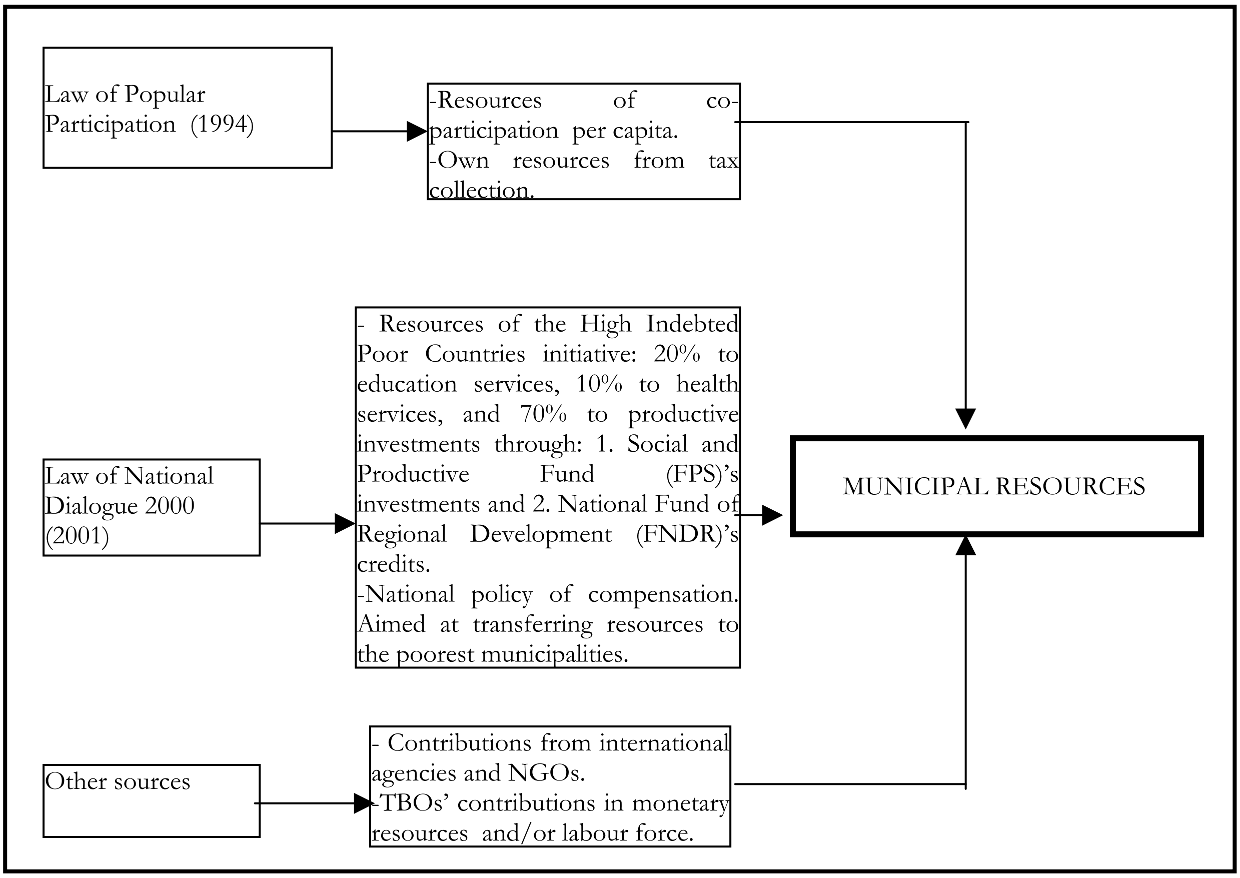
[82] The highest gap was 33 percentile points in 1991. According to Rojas (1997: 232), the young population in the rural area in 1995 was lower than the urban one. Therefore, the shortening of the gap between urban and rural voters is more remarkable.

Figure 3.3: Available resources for municipal investments


Law of Popular Participation (1994)
-Resources of co-participation per capita.
-Own resources from tax collection.
Law of National Dialogue 2000 (2001)
- Resources of the High Indebted Poor Countries initiative: 20% to education services, 10% to health services, and 70% to productive investments through: 1. Social and Productive Fund (FPS)'s investments and 2. National Fund of Regional Development (FNDR)'s credits.
-National policy of compensation. Aimed at transferring resources to the poorest municipalities.
MUNICIPAL RESOURCES
Other sources
- Contributions from international agencies and NGOs.
-TBOs' contributions in monetary resources and/or labour force.

Source: Laws of Popular Participation, Administrative Decentralisation, and National Dialogue.

Mayor and councillors elected through political party representation comprise the municipal governments. The number of councillors per municipality varies according to the number of inhabitants. Municipalities with less than 25,000 inhabitants elect five councillors. Every additional fraction in the number of inhabitants gives municipalities the right to elect two more councillors with a limit of eleven total councillors. Elected councillors elect the mayor as well as the municipal directorate (president, vice-president, and secretary) in their first session. Commonly, the elected mayor represents the largest voted political party. Intense negotiations take place when no clear majority emerges. In many cases, they result in "political pacts" between two parties that divide the municipal government period into two sub-periods.

3.4 The Law of Administrative Decentralisation (LDA)

The Law of Administrative Decentralisation (LDA) passed on July 28th, 1995 and complemented the Bolivian decentralisation model initiated by the LPP by establishing the structure and attributions of the prefectures as the executive power at the departmental level (one per department). Thus, Bolivia avoided the model of federalism in that way and maintained its unitarian character as a nation under three levels of government: the national, the departmental, and the municipal. It also diminished the capacity of local elites and local organisations to exercise pressure on the central government by placing the prefectures as an intermediary level responsible for administrating social services and invest in both infrastructure and the productive sector.

The particularity of the LDA in Bolivia lies on the process of popular participation (Verdesoto, 1997: 362). Therefore, it is not a mere transference of economic resources and attributions from the national to the departmental level but an instrument designed to strengthen municipal governments. The LDA supports the LPP by assigning to municipal governments the role of counterparts in the coordination of departmental developmental plans, transfer of resources, attention to their specific demands, and the strengthening of their capacities (Art. 5, LDA).

But, the paradox of the LDA is that the president still directly appoint the prefects; in time, the prefects also appoint sub prefects and corregidores in the provinces and cantons, respectively.[83] In that way, and especially considering the quantity of economic resources managed by the prefectures (see figure 3.2), the central executive power dominates political and developmental departmental decisions and influences the performance of municipal governments. For many (see Verdesoto, 1997: 362 and Ameller, 2002: 96), the LDA was a step back in the participatory decentralisation process because it manifested a lack of confidence in regional actors and the reaffirmation of the central power.

Evaluations of the application of the Laws of Popular Participation and Administrative Decentralisation identify the prefectures as the weakest link in national, departmental, and municipal coordination processes due to high levels of political party interventions and constant changes of personnel. On one hand, two years of time separate national and municipal elections. Since the president selects the prefects, changes occur in the middle term of municipal periods and affect the continuity of municipal works. Internal changes and struggles, even among parties in coalition occur frequently, postponing or paralysing on-going programs because of technical or political reasons.[84] Political parties even influence the departmental councils - the mechanisms of consultation and control established by the LDA - because the municipal councillors directly elect their representatives very often led by political party agreements. Therefore, measures such as the new regulation approved in 2004 allowing departmental councils to censure the prefect provide few advances.

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[83] Provinces are the territorial units between the deparment and the municipal section and cantons are smaller units than the municipal sections. They correspond to territorial political-administrative divisions. No directly elected representatives at these levels exist.

3.5 Deepening the process: The Law of the National Dialogue 2000 (LND)

This section briefly highlights the origins and contents of the *Ley del Diálogo Nacional 2000* (Law of National Dialogue 2000). The law of the National Dialogue 2000 is, after the Popular Participation and Administrative Decentralisation laws, the next important step to increasing peoples' participation in local development (I contemplate other laws, supreme decrees, and regulations related to the decentralisation process in annex 3.2).

The Dialogue 2000 event gave origin to the LND. The event was organized in order to give priority to investments of condoned external debt under the initiative "Highly Indebted Poor Countries" (HIPC). There, grievances from municipal representatives, NGOs, producers' associations and others pointed out to the failure of the LPP and LDA to improve the economic living conditions of the majority[85] because the impact of the LPP and LDA is more evident when talking about citizen rights and democracy than when talking about improving local economic conditions (Urioste, 2001 and Ayo, 1999).

The lack of a national mechanism to improve rural economic conditions may partly explain the concerns expressed in the Dialogue 2000. Before the LDA passed, the departmental development corporations were the regional state development agencies in charge of promoting agricultural projects aimed at increasing rural food self-reliance and monetary income. Once the LDA passed in 1995, the role of the corporations was partly delegated to the prefectures and partly to the MG but without the resources and clear mechanism equipped of the departmental development coporations.[86]

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[84] These anomalies, together with the struggle for more autonomy, raise demands for the right to choose directly prefects and departmental councillors (La Razón, April 8th, 2004).

[85] The National Census of 2001 showed that people still migrate to economically prosperous areas, implying that the poorest municipalities will escalate further into poverty by receiving less co-participation resources.

The Law of the National Dialogue defines the criteria for distribution of resources originating from the relief of the multilateral external debt towards a reduction of poverty, and establishes mechanisms of social control over them. The resources channel through the municipalities according to the following distribution: 20 percent to improve education services, 10 percent to improve health services, and 70 percent to invest in economic and social infrastructure. The last 70 percent distributes based on criteria of municipal levels of poverty[87] through the National Fund of Productive and Social Investment (FPS).

Besides the FPS, the law (Art. 20) appointed a second fund: The National Fund of Regional Development (FNDR) responsible for giving credit to MG and *mancomunidades*.[88] Both the FPS and the FNDR comprise the Unique Directory of Funds. Earlier development funds were eliminated because of their extreme bureaucracy and corruption. Therefore, the LND allowed the spending of an additional important flow of resources towards MGs in accordance to municipal development plans (POAs and PDMs).

The LND recognizes the vigilance committees as mechanisms for MG's accountability and it creates the Councils of Productive, Economic and Social Development (CODEPES) to support it. MGs organise CODEPES among the local productive sectors and services providers in order to follow-up and propose economic development projects.[89] The LND also recognises "functional organisations"

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[86] In addition, and as part of the privatisation of services provided by the state, the Bolivian Institute of Agricultural Technology (IBTA) closed and semi-private foundations took its place in response to peasants' demands as "clients" in contrast to the old "beneficiary" approach. Any other governmental or private agency filled the vacuum created by the elimination of departmental corporations and the IBTA after 1995. Currently, only MGs reach all Bolivian territory with the capacity to promote local economies countrywide but without the technical and economic means to achieve it.

[87] Municipal population is recalculated taking into account four factors of multiplication: -1 for populations with satisfied needs; 0 for populations on the threshold of poverty; 1 for populations of moderate poor; 2 for indigents and 3 for marginal poor. The distribution then is proportional to the "re-calculated" population (LND, Art.12).

[88] The LPP mention *Mancomunidades* as a legal figure and as the organization of two or more municipalities with less than 5000 inhabitants, in order to accede to co-participation resources. Although the formation of *Mancomunidades* first aimed to facilitate the channelling of resources, their character now depends very much on the objective that the comprising MGs give to them and the economical and organizational support they get from the donors. Many see the creation of *Mancomunidades* as a strategy to overcome difficulties such as small population, regional development, and the negotiation of credits. Due to the preference of the external cooperation and national organizations that work with *mancomunidades*, more than 75 were created but only 15 to 20 work effectively (La Razón, January 19th, 2004).

[89] The Dialogue 2000 favoured the discussion on productive local development, but the writing of the law strongly emphasised the social aspect. The Dialogue 2000 established the formation of Productive and Economic Councils (CODEPE) in every municipality, but later on, the Law of Dialogue passed establishing Productive, Economic, and Social Councils (CODEPES, Art. 28).

(i.e. small and medium producers and service providers) as economic actors of the Bolivian Strategy of the Poverty Reduction. The LND approved the demand for a legal status of small producers at municipal levels by approving the proposal of the Enterprise Card.[90] It also attempts to link the expenditures of the MGs to land problems by allowing the channelling of resources to the *saneamiento* process.[91]

In short, the LND complemented the LPP and LDA by reinforcing and amplifying the municipal governments' capacity to invest their own resources, reaffirming mechanisms of supervision, expanding representation, and recognizing legally the capacity of small and medium producers to act as economic agents at the municipal level.

3.6 The role of the international cooperation and non-governmental organisations

3.6.1 The international community

Bolivia receives more financial resources from the international community than any other country in Latin America (Bolivian Strategy Against Poverty, 2001). In the first stages of the LPP, the international donors channelled resources for the elaboration of municipal plans and the dissemination of the laws. At the end of the 1990s, the donors shifted their interest toward the adjustment of municipal plans, training in financial aspects such as the implementation of the Municipal Income System (*Sistema de Ingresos Municipales*) and the capacity of vigilance committees and TBOs to control the MG's performance. A third period of the international cooperation intervention can be identified by its support to the *Mancomunidades* and technical assistance towards good governance (see table 3.3). This intervention took place more directly maybe due to the incapacity of the Bolivian governments to absorb all its resources through governmental organisations.

National and municipal authorities welcome the economic support of different agencies of international cooperation. In contrast, agencies of the international cooperation endured bitter experiences in their support of local governments. For example, the change of organisational shape of the ministries delays the intervention of the international cooperation because of the need to sign new agreements, and sometimes they must lobby again for the continuity of the projects. This happens in part due to the encountering of two different bureaucratic dynamics and expectations and mainly because of national political instability which leads to constant changes on public policies and personnel.

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[90] The Enterprise Card allows small organizations of producers to present their proposals to the MG without the prerequisites of registration in the national system of tax collections and bills.

Table 3.3: Geographical distribution of the international cooperation supporting *Mancomunities*

International cooperation that supports local mancomunities	Geographical area
DANIDA. Denmark	Chuquisaca and Potosí
GTZ. Germany	Chaco (Chuquisaca, Santa Cruz and Tarija)
ACDI. Canada	Beni
Holland	Santa Cruz and Chuquisaca
Belgium	Santa Cruz (North)
USAID.US	Cochabamba, Tarija
PDCR-II. World Bank-Bolivian State	Pando

Source: Fieldwork, 2003

In that regard, the international cooperation influences the institutionalisation of the LPP and the LDA through its opposition to political-party influence in changing personnel in governmental projects financed by them. That was reported especially in the prefectures where most of the personnel rotates according to political-party influences.[92]

The intervention of international agencies, despite their undeniable contributions, faces many shortcomings. Criticisms from professionals and producers in the field point out to the provision of privileged information, training, and administration of a high level of resources to almost exclusively those in power (i.e. mayors, councillors, and high-ranking officers) as a major shortcoming; they also point out as deficiencies the extreme dependency of municipal governments and projects supported by the donors' resources[93] and also on their almost mandatory guidelines conditional of their economic support.[94] These criticisms coincide with those pointed out by some authors regarding prevalent and

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[91] So far, only some municipalities supported by NGOs took the opportunity, like the case of Tomina in Chuquisaca.

[92] The German (GTZ), Canadian (ACDI/CESO), and Danish (DANIDA) cooperation exemplify the interventions of the international agencies on implementing the LPP and LDA. They work in different spaces such as strengthening of legislation, institutional development, local governments, and civil society. They also address food security, economic promotion, and management of accountability systems. All of them support the formation of *Mancomunities* as regional spaces between the municipalities and the prefectures, sometimes even between municipalities and national government.

[93] Despite their important outcomes, the sustainability of both *Mancomunidades* and technical support still depend heavily on external human and economic resources to the point that one interviewee calls them "The creation of the international cooperation."

[94] For example, a director officer of the prefecture in Chuquisaca explained that irrigation projects over 100 ha receive financial support through the prefecture with credits offered by the international cooperation for this purpose. These projects have been executed without further questionings.

more structural weaknesses: the isolation and dispersion of the international community efforts and the creation of small states with their own regulations within their areas of intervention (Ayo, 2003: 139) and the need to avoid the import of projects without consideration of local conditions (Blanes, 2003).

3.6.2 Non-governmental organisations

As in most Latin American Countries, NGOs in Bolivia had their origins in both the work of the church and the organisation of civil society during the authoritarian regimes of the 1970s. After the restoration of democracy in 1982, many of them turned their attention to reduce poverty in rural and peripheral urban areas by working on the health, education, and productivity sectors. The imposition of the Structural Adjustment Program and economic crisis of the 1980s strengthened their focus on the alleviation of poverty of large numbers of people through specific projects (i.e. irrigation, sexual/reproductive health, and others). By taking an important role in supporting economic production, NGOs increasingly replaced the role of the state and maintained almost exclusive access to development and social investment funds. Besides that, their functioning enjoyed great autonomy from the Bolivian state (Nijenhuis, 2002: 50).

The enactment of the Laws of Popular Participation and Administrative Decentralisation in Bolivia forced a fundamental change in NGOs: the need to give place to a formerly absent state by addressing the local governments for the negotiation and approval of their plans. NGOs in Bolivia have long-time experience in participatory planning and were part of the impetus to promote the LPP. Now, they needed to adjust to more "imaginative" ways to contribute to improving local living conditions starting from capturing funds from international donors and government resources without competing with the MG. This new context provided NGOs spaces for consultancies for the MG, training courses to communities, and also the execution of infrastructure works. More than that, Nijenhuis (2002: 131) found out that when NGOs present in the area are responsible for the elaboration of the municipal development plan, this is more likely to be accomplished because local NGOs contribute positively to the investment performance of the municipalities.

A recent turn in target groups from NGOs and the international agencies is the support to *Organizaciones Económicas Campesinas* (Peasant Economic Organisations) in Bolivia. Already some successful experiences transpired of supporting organisations exporting products with high demand in the external market, such as handicrafts. To carry out these actions, NGOs ask the MGs to strengthen their capacity to organise the local economic actors to promote economic opportunities and "not to intervene" in the functioning of economic organisations and in the private investments (see CEPAD, 2000 and PADER-COSUDE, 2000).

NGOs face many challenges in fulfilling their new role. The following three seem worth mentioning. First, the need to comply with donors' guidelines and simultaneously with the demands of the local population shows no clear resolution. Actually, the NGO programmes tend to identify "demands", as observed in the studied municipalities according to the need of the MG to achieve more at the lowest cost. Second, no consensus exists among NGOs in regard to developmental strategies. For example, some of them state that working only in municipalities with larger economic advantages generates an increasing differentiation and that poor-oriented projects remain a priority. Others consider that enough has been invested in fighting against poverty, organisation capacities, and human rights, and what is really needed is concentration on population groups that show economic potential. Third, there is no agreement in how to tackle the dilemma over gender equality and communal traditions. Although this dilemma is not new, it is accentuated by the fact that most NGOs changed focus from the health and education sector towards the productive sector. Their actions may confuse some communities since NGOs act differently. Some encourage womens' roles in the productive sector while others sustain the status quo, arguing for the respect of community traditions regarding womens' roles.

3.7 The current socio-political context

In the last few years, important political and social changes occurred in Bolivia. In order to better place the findings of this study, this section explains the latest developments in the implementation of the LPP and the LDA and the impact of the most recent political and social changes.

3.7.1 The decentralisation process

After the elections of 2002, Gonzalo Sánchez de Lozada of the Revolutionary Nationalist Movement (MNR) secured power for the second time. Most who saw a possible re-emergence of the popular participation and decentralisation processes since his first mandate (1993 – 1997) welcomed his assumption of the presidency with especially high hopes considering that the previous government of the Democratic National Action (ADN, 1998-2002) stopped and demeaned previous advances (Ayo, 1999: 150; Yashar, 2004: 323).

In its short period of governance (2002-2003), the MNR show no capacity to reinforce the decentralisation process. Unlike its last period, this time the MNR relied on a coalition with other political parties to obtain the majority of votes in the congress, thus losing the autonomy of decision-making. Additionally, the international scenario favoured social policies less than at the beginning of the 1990s. A deteriorated national economy exploded into street disturbances, the blocking of roads, and deadly confrontations since the beginning of the governmental period.

The lack of a clear policy towards deepening the decentralisation process from the last MNR and the former ADN government appears evident in the change of name and part of the structure of the ministry responsible for carrying out and deepening the decentralisation process four times in three years. When first created in 1994, the National Secretary of Popular Participation retained responsibility for implementing the LPP and LDA, making its power equivalent to that of a minister. The change of presidential period (1997- 2002) diminished the relevance of the theme by appointing the responsibility to a vice-ministry (the Vice-Ministry of Municipal Strengthening and Popular Participation) under the Ministry of Sustainable Development. In the period of August, 2002 – October, 2003, the decentralisation process became the responsibility first of the Ministry of Municipal Development, then reduced to a vice-ministry in the Ministry of Sustainable Development, and finally became again a Ministry of Popular Participation. The heads and the administrative and technical personnel of the respective institutions underwent more numerous changes. The last change happened in October 2003 when the current president appointed a minister without party affiliation and gave him the freedom to appoint his most immediate collaborators (La Razón, October 20th, 2003).

These signs indicated that if the LPP ever contained a revolutionary character, during the last few years the engineering of decentralisation procedures overshadowed rather than complemented it (see also Ayo, 2003: 29 for an argument on the priority given to the instruments of decentralisation in detriment to the value of its social effects). For Medina (interview, March 27th, 2003), this confirms that Bolivian political parties never considered the LPP a priority and in any case it was just the opportunity that some individuals such as independent intellectuals took under the MNR regime in 1994 to introduce an important reform.

Every political change undermines the process of decentralisation because of the tendency of new officers to start new processes and projects. Changes also create administrative vacuums in which lower levels such as the Unities of Popular Participation in the Prefectures suffer delays due to the lack of disbursements and direction.[95] Another risk originated in the centre is the continuous threat over the legitimacy of the LPP, LDA, and LDN in the hands of the executive and legislative powers that directly make decisions that affect the municipalities without any consultation.[96]

Political instability and undemocratic practices also affect the channelling of funds to the municipal governments through the Unique Directory of Funds (DUF) (see section 3.5). The DUF administers around 100 million U.S. dollars every year through the National Fund of Regional Development (FNDR) and the Fund of Social and Productive Investment (FPS). Since its creation, the control of the DUF under ministries assigned to specific political parties has become a party - interest struggle (see La Razón, August 5th and 8th, 2003). Cases of corruption have been denounced as well as inefficiency on the DUF performance which harms the execution of MG annual budgets and the delivery of the promised projects to the population[97]: "*Sometimes the state says that the MG do not have investment capacity and that there are almost 200 to 300 million sleeping instead of being invested. But that money is the counterpart that MGs have reserved for projects that should be channelled by the FPS. We save the money but the counterpart never arrives from the FPS…"* (Officer of the Dutch Cooperation Service). "*The FPS demands more than 50 steps to have access to a project. If a technocrat elaborates a project and has never stepped in the field only complicates things with his pseudo information and then rejects projects that have to be re-elaborated, it is a really heavy process*" (Director of a Semi-State organisation in Chuquisaca).

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[95] Two examples are mentioned here. First, the regime of Sánchez de Lozada opened up the *Unidad de Asuntos Indígenas y Pueblos Originarios* in the prefecture in August, 2002. The Unidad was opened without the budget to pay even the assigned personnel. The activities carried out during four months responded to training leaders and support for some already ongoing activities while the Director of the unity looked for budget in the central offices of La Paz. In another example, at the beginning of the third change in May, 2003, a project of the Vice-Ministry of Decentralisation initiated a diagnosis completed in many areas even before the LPP passed: the identification of the productive vocation of the municipalities. In an interview, the executive director of the project "Towards Productive Municipalities" answered the question of why they were doing this again in the following terms: *"The definition of municipal productive vocation has to be in direct relation with the planning and trading possibilities. Therefore, simultaneously to the analysis of supply we will analyse the demand… there is not use if a municipality can produce for example avocados if they cannot be sold to the market, definitely that is not the productive vocation of the municipality."* Meanwhile, two new organizational changes took place in the ministry.

[96] That is the case of the law SUMI that directs municipal budget to the mother-child insurance, the increasing of the schooling breakfast investment, or the vertical decision taken by the last government to centralize the resources "*Más allá del HIPC*" instead of channelling them through the municipalities.

[97] See also the magazine Foro de Participación Popular, October 10th 2002 and the daily newspaper La Razón, March 19th and May 31th, 2003.

3.7.2 Changes in the political system

Political parties play a key role in the successes and failures of the LPP and the LDA. Although most political parties already existed at regional levels, especially before national elections, the passing of the LPP and the LDA and the recent figure of Uninominal Deputies[98] encouraged them to organise a more continuous local presence. Political parties accommodate themselves by assuming a "rationality" of compromise practiced since the late 1980s by forming coalitions in order to assure the viability of national and local governments (see Toranzo, 1997: 202-203 and Hofmeister, 1995: 72) that in practice mean the fragmentation of the public apparatus throughout the fulfilment of *cuotas de poder* (power quotas). This is explained by the dispersion of Bolivian votes at the national and municipal level among the political parties so that reaching the majority of votes in the parliament requires alliances. Municipal governments are not exempt from the struggles of political parties, and instigate change in mayors through the mechanism of "*Censura Constructiva*". This mechanism allows the municipal council to change the mayor one year after his or her mandate if their performance contained irregularities or inefficiencies. Nevertheless, the *censura constructiva* has been politically manipulated to give place to new alliances that in many cases reflect regional and national political-party agreements.

The last two years witnessed three deadly riots in Bolivia in September of 2002, February of 2003, and October of 2003. After the first two riots took place, parliamentarians, the executive government and even the Catholic Church started processes of popular consultancies but they failed to stop the third one which ended in the violent overthrow of President Sánchez de Lozada. The political crisis coincided with an economic crisis with Bolivian external debt at its maximum level.[99] The people protested against corruption, increasing poverty, foreign interventionism in internal issues, and social exclusion. Among them, disagreements with the American Free Commerce Treaty, exploitation of natural resources, land tenure issues, and policies on coca production led the ex-vice president to replace the former president, and it also led to the appointment of an independent political party ministerial cabinet. An obligatory change of prefects followed the crisis, which meant a new bureaucratic and administrative movement in the prefectures because most of the posts corresponded to political party militancy.

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[98] The election of uninominal deputees respond to the changes on the constitution of 1995 put into practice for the first time in the national elections of 1997. Their election corresponds to territorial divisions in 68 electoral areas (*circunscripciones*). Sixty-eight uninominal and 62 plurinominal deputees comprise the camera of deputees (the latter are elected according to the votation reached by the presidential candidate).

[99] The external debt surpassed 5,000 million U.S. dollars last year (Report of the Bolivian Central Bank in La Razón, February 12th, 2004).

As a consequence of the social unrest and the demands of the people, on February 20th of 2004, a new political constitution of the state was approved. One of the most relevant changes introduced is the elimination of the political party monopoly of representation by allowing citizen groups and indigenous people to present their own candidates (article 224).[100] During the elections of December 2004, they introduced candidates to local governments, wining 23 percent of the municipal seats. The new constitution also tends to restrict power of political parties in favour of other instances by limiting parliamentary immunity now in the hands of the Supreme Court and by opening up the *Asamblea Constituyente* and the *Referendum* (Art. 52, 232). The *Referendum* also took place in 2004. The topic of the referendum was the gas and oil state policies but its implications went far beyond to empower people to make decisions directly and not through political parties or other representatives. Despite these changes, political parties remain deeply embedded in local and national politics, and it remains speculative whether the recent changes mark the beginning of their final decline (or transformation) or a temporary set back.

3.8 Summary of the chapter

To summarize this chapter, it is important to highlight three aspects. First, the Laws of Popular Participation and Administrative Decentralisation opened possibilities for political participation to historically marginalized groups. It also linked the state to local traditional forms of organisation not seen since the National Revolution of 1952. After more than nine years of the passing of the laws, the decentralisation constitutes an irreversible and socially supported process. Second, an increasing number of regulations (annex 3.2) and a complex engineering of decentralisation as well as a lack of political stability and commitment threaten relevant achievements and undermine peoples' empowerment through effective participation in the process. Additionally, no evidence yet exists to show that both laws substantially contributed to eliminate social exclusion and poverty. Third, recent years have seen fundamental changes in the Bolivian system of representation as a result of social and political unrest. Until 2004, political parties played a key role in the local governments because of their monopoly on the representation system. Although people support the democratic system, they deeply discredit political parties. Social pressure for a more authentic representation recently resulted in new regulations that allow non-partisan organisations to introduce candidates in municipal and national elections. Other changes, such as the *referendum* and the next *Asamblea Constituyente* also point out the demands for inclusive participation and a more direct democracy.

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[100] "Political parties, citizen groups or indigenous people will be able to postulate directly candidates to President, Vice-president, Senators, Deputies, Constituyents, Councillors, Mayors and Municipal Agents, in equal conditions before the law - fulfilling the established requirements" (*Political Constitution of the State, Article 224 modified, own translation*).

This chapter described the decentralisation regulations and implications as well as the national current political conditions as a background for the analysis of different forms of the decentralisation process appropriation at the local level. The following chapters 4 and 5 describe the cases of high and low differentiated municipalities.

CHAPTER 4: HIGH SOCIO-POLITICALLY DIFFERENTIATED MUNICIPALITIES

This chapter describes the main social, political, and economic characteristics of the four high differentiated municipalities as well as the changes in the power structures as a result of the decentralisation interventions. The municipality of Monteagudo, selected as a case for in-depth study, provides most of the information and basis for the analysis. This chapter and the following chapter 5 which describes the low differentiated municipalities comprise the background for the comparative analysis presented in chapter 6.

The first part of the chapter describes the location and climate of the municipalities, the characteristics of the population, and their economic activities. The second part provides a historical frame of the formation of the current socio-political structures in the region. The next section describes the local social structure prior to the implementation of the decentralisation policies. The fourth part provides an analysis of the changes brought about by the decentralisation, focusing on the municipal government as the arena of local power expression. Parts five and six respectively describe the new position of Guaraní and *Colla* indigenous people vis-à-vis the reconfiguration of local power. Part seven analyses the vigilance committee as a grass-roots instrument of control, and finally, part eight provides an analysis of the power reconfiguration in the high differentiated municipalities.

4.1 General characteristics

4.1.1 Location and climate

Monteagudo, Huacareta, Muyupampa, and Machareti reside in the Southwest of the Department of Chuquisaca in the Bolivian Chaco.[101] Before 1947, all of them comprised the province Azero, and then were divided into two provinces. Now, Monteagudo and Huacareta belong to the Siles province, while Muyupampa and Machareti belong to the Calvo province (see maps 1.3 and 1.4 in chapter 1). All municipalities contain a main urban small or medium town where the MGs reside. Nonetheless,

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[101] The Bolivian Chaco system comprises the sub-Andean and dry-Chaco zones (Chavez, 1998: 7). In Bolivia, the Chaco area covers 16 municipalities that share similar ecological and historical characteristics. More than 11 percent of the Bolivian territory falls within the Chaco area but this area contains only 3.5 percent of its population.

Huacareta and Muyupampa are considered 100 percent rural because their urban area does not surpass 2,000 inhabitants.

The altitude of the municipalities vary from 300 to 2,200 meters in a variety of humid, semi-humid, and dry zones. The climate is warm most of the year, with temperatures that vary between –7 and 49 °C. The rainy and dry seasons correspond to the patterns of sub-tropical areas, with a duration of six months per season (November - April rainy and May - October dry).

The climate particularly favours animal husbandry and agricultural activities, with local variations according to the altitude and geographical characteristics. The valleys and plane areas enjoy rich sources of fresh water (rivers and subterranean currents). Despite these climatic advantages, several reports point out to losses in crop and animal production during the last few years due to severe droughts, frosts, and cold winds.

4.1.2 Population, poverty, and migration

The population of the four high differentiated municipalities consist of rural and poor (see table 4.1). Between 72 percent and 100 percent of the people live in the rural areas and the population of the highest concentrated town (urban Monteagudo) contains only 7,200 people.

The population in the four municipalities have diverse origins: Around 63 percent identify themselves as not belonging to any ethnic group, 24.6 percent self-identify as Guaraní, 8.1 percent as Quechuas, and 1.4 percent identify with other ethnic groups (INE, 2002).

The Bolivian Map of Poverty of 2001 reflects a noticeable decrease in poverty during the last decade in both Siles and Calvo provinces, but still more than 78 percent of the population lives in poverty conditions. Women and the indigenous people show higher levels of extreme poverty, but the non-indigenous more likely suffer from moderate poverty, especially those devoted to agricultural activities. The literacy rate fluctuates between 66 percent and 79 percent. Rural women achieve the lowest rate of literacy, partly due to fewer years of schooling and partly because they receive less training in Spanish than men.[102]

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[102] The 2001 census shows an average of 17.5 percentual points of difference between literacy levels of women and men in favour of the latter. Data from INE 1992 shows that in Chuquisaca 20.36 percent of women do not speak Spanish. The last

Table 4.1: General characteristics of the population in high differentiated municipalities

Indicator	BOLIVIA	Monteagudo	Huacareta	Muyupampa	Macharetí
Total Population	8,274,325	26,504	10,007	10,748	7,386
Rural population in percentage	37.6	72.5	100.0	78.4	100.0
Density	7.5	7.9	3.4	2.8	1.0
Percentage of poor people*	58.6	74.4	89.0	82.1	85.2
Percentage of illiteracy**	13,3	26.3	34.0	25.6	14.0

* The map of poverty classifies the population in five groups according to poverty ranks: marginalised, indigents, moderate poor, those in the threshold of poverty and those with basic needs fulfilled. The first three groups, included in the table, lack the fulfilment of basic needs (minimum access to health and education, water, sanitation, and good housing in terms of physical space and building materials).
** Of people over 15 years old.
Source: INE, 2002 on census 2001 and INE-UDAPE, 2002 on Bolivian Map of poverty 2001.

The gaps between poverty in the rural and urban areas, between 60 and 70 percent in Calvo and Siles provinces respectively, determine permanent migratory flows from rural areas to the urban Monteagudo and cities such as Sucre and Santa Cruz. Temporary migration varies between 3 and 10 percent and definite migration reaches a much lower level, from 3 percent to 6 percent (reports of PDMs). Among the four municipalities, Monteagudo received the most immigrants. The census of 1992 showed that 40 percent of the people are not native to the municipality but rather arrived mainly from the higher zones of Yamparáez, Zudañez, Tomina, and Azurduy.

Many children and adolescents migrate temporarily because their parents consider the educational standards too low in the rural areas and also because they dislike their children mixing with the Guaraní people.[103] Children and adolescents form special kinds of families without adult supervision on the outskirts of the main towns and are more likely not to return to their places of origin. Looking for work opportunities is another main reason to migrate. Men and women from the rural areas may find jobs in economically active small and medium-sized towns such as Monteagudo, Sucre, Camiri, Tarija, Santa Cruz, or Yacuiba. They migrate temporarily or definitely, performing very low-paying jobs. The interviewees emphasised that women commonly migrate to work as servants in middle and upper-class houses and men work as labourers in agriculture or in the construction sector. Women more likely

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census of 2001 showed that more monolingual native-women and more monolingual Spanish-speaking men live in the provinces of Siles and Calvo .

[103] Those who can afford it send their children to Sucre or Santa Cruz, especially to follow superior studies.

migrate and stay permanently because they find jobs in private houses and live there, although for low salaries and without social security.[104]

Currently, the migratory flows to the area are not as strong as reported during the 1950s and 1970s when the Agrarian Reform and the presence of development projects favoured immigration from higher lands. But the more fertile land and the economic dynamics of the region compared to higher lands still attract rural immigrants.

4.1.3 Economic activities

The economically active population maintains the most devotion to the agricultural sector with 54.1 percent, followed by industry (extraction, construction, and manufacturing) with 10.1 percent and service sectors with 8 percent (INE, 1999). Monteagudo is the most dynamic municipality mainly because of its good road connections compared to the other three municipalities.

The most important agricultural products in the four municipalities are maize, frijol, peanuts, citrus fruits, red peppers, and the breeding of pigs, cattle, and poultry. Although agriculture is the main activity of the region along with cattle raising, its economic importance declined considerably in the last decade for several reasons, most noticeably the lack of markets partly due to the invasion of agricultural products from the neighbouring countries. Products such as maize, peanuts, frijol and meat enter freely because of the national policy of open markets and because of contraband. Undoubtedly, the liberation of many Guaraní families from the Haciendas also influenced the rise in labour costs. Climatic changes also contribute to the area's declining economy (excessive rains alternated with hard droughts).

The size of land plots is in general much bigger than the departmental average and still *latifundio* persist as testimony of the poor achievements of the agrarian reform in this area (see section 4.2.2). The most frequent forms of land tenure consist of individual plots, communal land, and land renting. Mechanisation processes are minimal and confined to the use of tractors, peeling machines, and some basic storage infrastructure. Women in small plots participate mainly in sowing and harvesting and also in milking and taking care of minor animals. Medium and large properties normally operate with hired labour and normally reduce womens' responsibilities to the alimentation. In the case of the Guaraní people, men also take the main responsibility for productive activities, including fishing and hunting. Women in the region, as everywhere in Bolivia, may legally own land. However, in actuality their access to land remains even less than other Bolivian women because of the predominant individual form of land tenure. This, in contrast to the communal form of tenure, leaves them only with the possibility to acquire land under exceptional situations (e.g. widowhood).

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[104] Work as a household worker remains one of the closest to servitude in Bolivia. No clear rules exist for the people involved, but coming from the rural areas, the hired women have little chance to negotiate and gain respect for their rights.

For transporting harvests and animals, producers normally negotiate with truck owners who pick up the products based on a price established in advance.[105] The bargaining power favours the truck owners because they access information on market prices and because producers cannot afford to lose the opportunity to sell next to the plot. The demand in the cities observed by the truck owners, not the production, determines the regular movement of the trucks. In all municipalities, producers must take opportunities to commercialise directly through annual agricultural local fairs taking place on specific dates, normally celebrating a Catholic festivity or a civic happening.

To own a truck and work as intermediary between producers and the markets is the most successful economic activity in the municipality. After selling the products on the markets of big and medium cities, the trucks come back with packing and materials to fill their own stores or the stores of others. According to the *Encuesta Nacional de Empleo III 1997* (INE, 1999: 545), people living in the rural areas who work in transport and storage of products in Chuquisaca earn close to six times more than those occupied in the agricultural sector (see annex 4.1).[106] Truck owners subject peasants with their larger bargaining power, mainly because peasants depend on them as the most important link to reach the market. Peasants and truck owners establish informal ties based on verbal contracts of medium-term commitments. Very often these contracts end up in social ties proper for patron-client relations, especially when peasant and truck owners belong to the same region.

Other profitable activities are the storing and selling of maize performed by small groups of producers or individuals. In the small and medium-sized towns, the opening of private medical offices remains the most profitable activity.

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[105] Trucks carry agricultural products to cities like Sucre, Santa Cruz, Cochabamba, and La Paz for more than 250 km, but if rural producers want to take their products personally to the market in Monteagudo, they have to travel between 5 to 100 km in worn or corroded paths (PDM Monteagudo, 2001: 380).

[106] Healy (1982: 211 - 212) mentioned local merchants already at the beginning of the 1980s as part of the agro-commercial elite, who “increase their wealth based on the exploitation of peasants’ incapacity to reach big markets directly.”

Despite the exploitation of oil and its derivatives in the area, the local population does not directly benefit because trans-national enterprises control the exploitation. They pay taxes to the government which returns a preferential part to the Chuquisaca department as a whole. Additionally, oil production declined considerably and with it therefore, the bargaining capacity of the region.[107]

The most prosperous area of the four studied municipalities is the urban area of Monteagudo, which provides access to good health, education, and legal services, medical private offices, cultural and social centres, hotels, and restaurants. This gives the municipal government of Monteagudo a larger capacity to generate its own resources, supported by a system of urban cadastre and the registering of commercial activities developed recently.

The provincial and inter-provincial transport system works well in general, especially to and from Monteagudo. At least nine bus enterprises connect the area with Sucre and Santa Cruz (see annex 4.2). In spite of the large number of buses and trucks to transport people along main roads, in many areas people still must rely on special trucks rented in advance for travelling and/or transporting their agricultural production. The rainy season makes the situation worse when some areas are totally isolated and even the most well-travelled routes require that the passengers clean the roads before the bus or truck can pass. People use human and animal labour still as the main means of transport for short and medium distances in the rural areas.

Besides transportation means, radio stations keep the area well-connected. Only the medium and small-sized cities rely on telephones, while in the dispersed areas, people rely on radio communication or wait until buses pass by delivering mail and packages.

4.2 Historical background

4.2.1 Native people and the hacienda system

The Guaraní people originally inhabited the eastern part of Chuquisaca.[108] The Guaraní strongly resisted the Inca and the Spanish expansions as well as the Catholic missions, but eventually surrendered to civil settlements and military interventions. Civil settlements started with the Spanish conquerors, creating towns bordering on the indigenous domains and continued once catholic missions established there during the 1850s.[109]

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[107] According to Nijenhuis (2002: 76), the number of barrels of oil extracted in Monteagudo declined from 10,000 in 1972-1973 to 700 in 1997.

[108] The Bolivian group of Guaraní is also referred to as "Chiriguano". In this study, both terms are indistinctively used to describe indigenous people from the Southeast of Bolivia who speak the Guaraní language. The Guaraní comprise of different ethnic groups from Brasil, Paraguay, Argentina, and Bolivia. According to CARITAS (1995: 10), the current claim

Guarani's violent resistance endured 67 years after the founding of the republic until 1892 after the defeat and massacre of the Chiriguanos (Chavez 1998, CARITAS, 1995). Many Guaraní who converted to Christianity fought against their own people whom they considered as the "unfaithful." After their defeat, the Guaraní resisted passively in the haciendas by boycotting the orders of the patrons and proudly separated themselves from the *Karai* (Guaraní word to refer to non-Guaraní). The military defeat suffered by Guaraní people meant a deep frustration to their ancient beliefs and prophesies of salvation.[110] That explained their final surrender to the haciendas, the patrons, and to every new change imposed on them.

The Chaco War between Paraguay and Bolivia (1932-1935) meant another defeat for the Guaraní. They not only fought against their own people (Guaraní in Paraguay), but some were forced to work to open paths and carry materials. Despite their contribution, they were never recognized as ex-combatants and much of their land was redistributed among ex-soldiers who decided to remain in the area. This event repeated the injustice committed after the Independence War when independentist Creoles occupied part of their land. Healy (1982: 124) concludes that it also institutionalised the Hacienda system as the socio-economic institution more important in South Chuquisaca.

The relation between hacendados and Guaraní almost reached the quality of slavery. The unpayable debts acquired by the Guaraní in clothes, food, and others supplied by the patrons as a "paternal obligation" constituted the unequal yet legal relation between patrons and Guaraní. Even now, some ex-hacendados argue that the system was fair and even favourable to the Guaraní (and in their view remains that way in the few haciendas where Guaraní still live as captives).

The haciendas also included the work of the *arrenderos* and *arrimantes* who were mainly Quechua migrants from the higher zones. The former worked on the land of the patrons in exchange of usufruct

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of the name "Guaraní" among the Chiriguanos refers to their origin as indigenous people coming from Paraguay, although it seems that they originally moved from Brazil.

[109] The first cattle dealers established in the area at the end of the 19th century, taking the opportunity opened by the Missions San Francisco Solano in 1860 and San Antonio de Padua in 1869 at the borders of the Pilcomayo river (www.elgranchaco.com).

rights and the latter worked either for the *arrenderos* or filled the *arrenderos'* duties in the hacienda. As in the case of the Guaranís, the families of *arrenderos* and *arrimantes* as a whole needed to fulfill obligations in the field and house of the hacienda. But, contrary to the Guaraní, they performed lighter duties and enjoyed a higher status derived from their economic relationship with the patrons.

4.2.2 The agrarian reform

The Chaco War ushered in a new consciousness throughout the country about the uneven distribution of power and resources. According to Healy (1982: 37), the post-war period saw new legislation and peasant congresses which were important precedents for the changes brought about by the National Revolution of 1952.[111] The passing of the Agrarian Reform Law in 1953 acted as one of the most relevant of these changes.

In the Siles and Calvo provinces, the agrarian reform arrived only some years later and was very weakly implemented. Many factors contributed to this: the high demographic dispersion of the population, the lack of roads and communication, and the rapid reaction of powerful local groups. By the middle of the 1970s, among the ten provinces in Chuquisaca, Siles and Calvo achieved lower percentages of redistributed land to peasants in comparison to the land ownership consolidated by the hacendados (Healy, 1982: 77).[112] At the same time, while strong peasant unions were established in other regions as the result of the National Revolution, the peasants in this area could not consolidate strong organisations. First of all, they took a longer time to organise themselves to the advantage of the patrons. Second, the competing and mutual discriminatory ethnic relations between Quechuas and Guaraní constrained their organisation. As a result, the Guaraní were neither invited nor motivated to take part in the peasant unions. Third, some of the patrons or members of their wide networks often infiltrated and co-opted the unions (Healy, 1982). Nonetheless, some haciendas were taken and conditions improved for the former *arrenderos* and *arrimantes* which acceded to small and medium

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[110] Interview with the Judge Javier Villarroel, Monteagudo (October 8th, 2002).

[111] These changes were mainly the nationalization of the mining industry that before rested in foreign hands; promulgation of a new labour code, including social security measures and elimination of servitude; universal vote, abolishing restrictions by sex, illiteracy and income levels; and declaration of the universal (urban and rural) right to education and implementation of instruments and economic resources to this end.

[112] According to Healy (1982: 85) Chuquisaca itself was only fourth among the nine departments in terms of distribution of land. He reports that property certificates were granted as follows: 70 percent to local owners, 12 percent to land workers mainly from higher areas, and maybe only four or five certificates to Guaraní families.

plots. If not in exchange of small plots within the haciendas, they received payment for their occasional or permanent labour, although the Guaraní people remained excluded from this benefit.

The reaction of powerful groups or so called *contrareforma* in the Siles-Calvo provinces consisted of the infiltration of hacendados in the MNR ranks and peasant organisations, cooptation of peasant leaders, political violence, influence over agrarian local authorities, and manipulations of the law[113] (Healy, 1982: 69). These practices were not difficult in an area where Guaraní and Quechua were often illiterate and lacked contact with the outside world. The well established clientelist relationships between the hacendados and the few local agrarian judges, inspectors, and teachers through political and social links instead remained more relevant.

Taking advantage of the weakening purposes of the revolution of 1952, many patrons became partisans of the party which led the revolution (MNR).[114] As such, they decided who was going to be affected and who was not: *"Where we used to live, they (indigenous) did not take a piece of bread. When commissions came (to take land) my husband took notice and fixed the situation"* (widow of an ex-hacendado). After more than 50 years of the Agrarian Reform, some ex-patrons still see the reform as a mistake because *"The haciendas that were affected were very productive and now they produce nothing. Now there is minifundio, they (peasants) fight with each other, and it is not enough even for their own families"* (ex-hacendado).[115] Ex-hacendados as well as owners who still keep their haciendas agree by pointing out that the expropriation of land in favour of peasants remained strong in the surroundings of the main towns, while in more distant areas, it passed almost unnoticed.

As a result of the incomplete application of the Agrarian Reform Law, *latifundios* or big haciendas still exist in the area.[116] They co-exist with medium and small properties along with forms of *arriendo* systems (land rented in exchange of part of the production or cash). Some Guaraní people own their own land in communities sometimes mixed with C*olla* (Quechua and Aymara) immigrants while others remain landless.

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[113] A common way of manipulation was the underestimation of land size and arable land and the overestimation of cattle heads.

[114] García (1970: 312) explains the weakening of the national revolution by the breakdown of the co-government between the Bolivian Workers Confederation and the MNR party. "The counterpart of this was the increasing participation by the middle class and the "new bourgeoisie" fostered by the inflation in the political leadership of the MNR."

[115] This comment reflects very much the feelings of many ex-patrons in the area who resent the distribution of land among peasants. However, it is evident that the agrarian reform in Bolivia impacted the reduction of agricultural productivity and husbandry. The breaking up of the hacienda system that reduced the availability of cheap labour force and interrupted commercial webs of supply and demand partly explains this as well as the failure of the government to develop a strategy for the agricultural sector.

[116] The haciendas that remained untouched persisted as latifundios and still exist as such. In the Chaco provinces of Siles and Calvo, 83.4 percent of the people possess less than 20 ha of land, 1.8 percent posses land between 20 and 100 ha, 1.8 percent possess between 100 and 500 ha, 1.2 percent possess from 500 ha to 1,000 ha, and 0.7 possess from 1,000 to 5,000

As a consequence of the reform and counter-reform forces, the general balance of power was maintained and even strengthened in favour of hacendados. Through their regional and national relations to the MNR, they occupied main positions in the administrative structure of the region as mayors, *corregidores*, and sub-prefects. This gave origin to an incipient but increasing new elite: the bureaucrats and urban caciques of white-mestizo origin.

4.2.3 The instrumentalisation of development projects: the Development Corporation of Chuquisaca and the Cooperatives

With the success of the counter-reform and their power consolidated, the big landowners saw their opportunities yet expanded by the foundation of the Development Corporation of Chuquisaca (CORDECH)[117] and the creation of cooperatives by the Catholic Church at the end of the 1960s. The main offices of CORDECH in the region were established in Monteagudo at the beginning of the 1970s. The general approach to funding the regional development corporations involved use of the revenues from the local resources (e.g. tin mining royalties). Likewise, gas and petrol revenues from the Siles and Calvo provinces funded CORDECH.[118] CORDECH impacted the Chaco municipalities by introducing new technologies of pig breeding and maize production, electricity and water for the main cities, creating new jobs for professionals and working class people, and improving communications and road systems. Because of the importance of CORDECH, Monteagudo was named as the new national *Polo de Desarrollo* (Pole of Development) within the regional and national development discourse of governmental agencies.

The main programs established by CORDECH were the project "Fomento a la Ganadería Porcina" (Promotion to Pig Breeding) and credit management tied to extension services. According to some ex-CORDECH officers and producers interviewed, both projects benefited mainly big landowners

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or more. According to the Agrarian Reform Law of 1953, a property smaller than 500 ha is considered small, a property of up to 2,500 ha is considered medium, and anything larger than that is considered a big enterprise (Fundación TIERRA, 2000). See also Chapter 1, table 1.5.

[117] Initially named the Committee of Development and Public Works of Chuquisaca.

through the intended favouritism of program officers and to the (in)direct exclusion of small landowners due to their lack of access to information, initial capital, guarantees, and others.[119] They also mentioned that the training methods used at that time, such as long lectures in Spanish for people unaccustomed to sitting for hours inside a room and not completely familiar with the language, led to the exclusion of small producers. CORDECH also promoted the formation of producers' associations, some of them still functioning. As expected, the development offers first organised the richest and better-informed cattle dealers. They formed the associations' directive themselves and assumed the role of representing the larger number of small producers.

In spite of the developmentalist discourses that proclaimed access to credit and technology directed mainly to small producers, family and social ties of CORDECH officers defined many of the benefits in the distribution of credits, animals, and water and electric services. Additionally, within a short time, influential people in Monteagudo filled the directive posts of CORDECH's projects. Healy studied this group of people under the classification of *caciques*: an elitarian group that practices domination in an "informal, autocratic, personalist and arbitrary way" (Healy, 1982: 251). These *caciques* related to hacendados by social and economic ties, but contrary to the latter, they survived the declining of the agricultural sector by interweaving in the bureaucratic arena of public posts, peasant representation, and civic committees (see section 4.2.4).

CORDECH's projects were oriented by favouritism and personal sympathies not only at the local level, but also at the regional level. The story of one of the main bridge constructions over the Parapetí River illustrates this: *"A delegation of people went to Monteagudo to the Fair 1980 FEXPO 80. Fourteen of us went to make some demonstrations in our horses... the President of CORDECH was enchanted... between drinks he asked us what we wanted to have... I was inspired and told him that we needed a bridge. He told me to be sure that next year CORDECH would have 50 percent of the budget for the bridge... that is how we have the bridge"* (interview with former hacendado in Huacareta).

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[118] In 1967, YPFB started channelling 11 percent of the income generated from the exploitation of the Piraimiri deposits of oil to Sucre. This event favoured the creation of a strong Departmental Development Corporation (Healy, 1982: 164).

[119] As an example, Healy (1982: 189) gave the following numbers: until May, 1978, the resource of the Interamerican Development Bank channeled by the Regional Corporation benefited 116 people; of these 116, 88 were big landowners and only 28 were peasants. Ninety five percent of the capital benefited the former ones.

For the small producers, most of the initiatives promoted by CORDECH only added to failed or unsustainable projects.[120] The commercialisation of red pepper with the introduction of drying technology provides one example. In a first step, CORDECH bought modern ovens and offered them to the producers. Then it also bought the pepper exclusively dried in its ovens. The costs of drying proved too expensive for producers so they decided to look for new buyers and went back to their traditional technology of drying on the top of their roofs. Like this one, the local people cite many other examples in regards to the production of maize and pig breeding. CORDECH failures happened, as pointed out by interviewees, as a result of its attempt to introduce technological improvements without considering the availability of markets, the real capacity of producers to repay the required loans, and the disposition of producers to adopt the technologies. The nine Departmental Corporations of Regional Development disappeared in 1995 with the passing of the Administrative Decentralisation Law (see chapter 3).

As for the cooperatives, they were conceived "in the General Law of Cooperatives of Bolivia (1958) not only as a cooperative with *multiple aims*, but as a true structure of *integration and communal development*" (García, 1970: 320). With the support of the Treveris Foundation, German priests created the cooperative "San José Obrero" in Monteagudo, Muyupampa, and Huacareta at the beginning of the 1960s. For the first time, people acceded to goods cheaper than those sold by the private transporters. The cooperative also maintained a diversified and balanced food plant, agricultural products, and credit. But once the management was handed over from the Church to the local people, lack of administrative capacities and corruption led to the decline of the cooperative's performance.[121]

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[120] Before CORDECH arrived, a number of failed development plans already existed in the area: at the end of the 1930s, the initiative of butter production failed because of the importing of this product from Argentina; during the 1940s, the area produced tobacco but the import of cigarettes paralysed the cultivation; in the 1950s, red-pepper crops were market-oriented but the low prices and the high demand of labour caused it to diminish. In the next decade (the 1960s), cotton was cultivated but in the 1970s the industrial production in Santa Cruz stopped farming the Chaco. The cultivation of citrus extended widely until the *Gomosis* affected them; now, only Huacareta and parts of Monteagudo continue harvesting plantations (Chavez, 1998: 74 - 78).

[121] The better known local cooperative was the *Cooperativa Nacional Desgrasadora* (CONALDE) created in 1968 with the objective of carrying out agro-industrial activities in Monteagudo. CONALDE impelled the improvement of porcine cattle and the industrialization of sub-products from 1971 to 1974. After facing commercialisation problems and a high debt, CONALDE closed in 1974. Nevertheless, the project constituted the first step towards specialisation of the area in pig breeding (later supported by CORDECH). Other initiatives followed the experience of CONALDE. For example, the Cooperative Agropecuaria Mixta Los Sauces Monteagudo Ltda. attempted to combine the provision of maize from producers with the technical experience gained by CONALDE. This attempt also failed due to the incapacity of the administrators to make a profit. The cooperative was closed down in 1984.

The local caciques took directive posts and managed the cooperatives with an urban and clientelist orientation (see Healy, 1982). For example, the cooperatives received products from medium and big producers who offered them in consignment given their capacity to wait for better market prices. Small producers found their little production to Monteagudo too expensive to transport to the cooperative depositories just to sell it at low prices or to wait until the uncertain improvement of market prices. The caciques also used the cooperatives' resources to grant private loans as a way to expand and strenghten their clientelist relations. Their lack of managerial capacity, patrimonialism, and corruptive practices led to the rapid disappearance of the cooperatives as a social and economic empowerment tool for the peasants.[122]

4.2.4 Decline of hacendados' power and the strenghtening of local caciques

Despite the bias of the cooperatives, associations, and CORDECH in favour of the landowners, the haciendas continued to decline after the agrarian reform law for reasons of the reduced prices of the agricultural products, diminishing of cheap labour force, investment in unsustainable technology, and in many cases, their own lack of an entrepreneurial vision which led themselves to bankruptcy. Many haciendas were partly or totally sold or remained largely unexploited until today. The power of the hacendados decreased while a new powerful group comprised of professionals and other individuals associated to development projects emerged: the local caciques. The local caciques based their power on their privileged access to education, organisational abilities, social contacts, and economic wealth. They benefitted from the opening of power-concentrated spaces in the administration of cooperatives and posts in CORDECH offices. The rotation among themselves of public posts exerted within the directive boards of cooperatives, CORDECH projects, civic committees, and others mainly characterised this power group. Table 4.2 exemplifies this by showing the number of posts exerted by four local caciques before the LPP passed in 1994.

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[122] Now, cooperatives operate in the four municipalities but under different characteristics. Technical professionals manage them with a profit orientation. Lately, the delays of repayments in the rural areas lead them to focus on credits oriented only to the urban population. The main legacy of the first cooperatives in Monteagudo was the formation of the *Federación de Asociaciones Agropecuarias de las Provincias Siles-Calvo y Tomina* (FEDEAGRO) in 1990. CORDECH supported FEDEAGRO in an attempt to organize the dispersed population of producers and to better organize the process of production and commercialisation by providing the members with training and information. FEDEAGRO initially consisted of forty-eight agricultural associations, but this number fell dramatically in 1993 when only a directory survived. FEDEAGRO repeated the mistakes of former cooperatives by giving advanced payments to producers and gathering the production without a sure market to sell the production and without caring about the quality of the production (Chavez, 1998: 64).

Local caciques were part of a well-structured local social and political network of professionals, public officers, rich merchants, and hacendados. They controlled the main town not only by occupying public posts but also by mediating between local people and the regional and national authorities. In his study "*Caciques y Patrones*", Healy (1982) observed that the power of the cacique, although informal in its nature, necessarily had relevant implications (direct or indirect) over the public authority of political offices and institutions. For him, the provincial public posts not only served as the basis of domination power, but also granted unlimited access to public resources and similar opportunities to increase the cacique's own levels of wealth. Despite the low and unattractive salaries, the opportunities for corruption, extortion, and embezzlement remained attractive. Additionally, the caciques affiliated with political parties but shifted their adscription at their convenient. The caciques also used another mechanism to consolidate their power: their membership in the civic committees. In the Chaco area, as well as in other regions rich on natural resources, wealthy inhabitants subsidised the civic committees and at the same time defended their own interests by choosing the representatives among themselves.

Table 4.2: Examples of public posts exerted by local caciques in Monteagudo before 1994

Cacique	Public posts occupied before 1994
1	Leader in both local and regional teacher organizations President of the civic committee Member of the directive boards in two cooperatives Chief of the production plant in CONALDE Chief of public works in the Porcine Cabana - CORDECH Manager of the cooperative of local services
2	Sub prefect (during four periods) Municipal major Member of the directive board of the civic committee He also exerted two public posts in the municipality of Huacareta
3	Sub prefect Directive member of the project FGP (Fomento a la ganadería porcina) of CORDECH Executive committee member of the political party MNR
4	Municipal councilor Sub-mayor Mayor

Source: Fieldwork, 2003.

The civic committees received economic resources from CORDECH and also some equipment and vehicles which they used not only in order to promote social and cultural activities but also their own political and economic activities. Through their own positions as privileged actors, they welcomed both national and international characters in the area, influencing decisions over local plans. Cases in which the actions of the committees compromised even national justice and congress members in order to attract favouritism to the region occurred frequently.[123] Regional and political inclinations stirred up by committees very often constituted the main criteria to channel important amounts of money from the departmental and national governments towards particular areas.

From conservative political tendencies and sympathizers of the military regimes (1971-1979 and 1981-82), they took advantage of the repressive apparatus to control any attempt to challenge their power. Accusing as "communists" the few who dared to show social sensibility and political commitment towards the poorest and others, they succeeded in the imprisonment of some of them. Therefore, by means of clientelism, patronage, patrimonialism, and even political violence, local caciques played the role of social, political, and also developmental brokers. Other minor powerful actors, such as low-ranking officers and peasant union leaders, ultimately submitted to the network dominated by them.

According to interviewees in the field, the caciques saw their authoritarian domination disputed by three means only during the 1980s: regionalism, political competition, and individual political actions. As for the first, caciques and hacendados in more remote areas resented the hegemony of the caciques in Monteagudo and fought to consolidate their power in their own smaller towns. Regarding political competition, the national elections after the fall of the dictatorships (1985, 1989, 1993, 1997, and 2002) saw increasing numbers of political actors and parties disputing the rural and urban political clientele. Individual political actions also challenged the caciques' power. Mainly some white-mestizos and even German and Italian priests identified with the interests of peasants and Guaraní, who very often performed small local battles to halt the abusive practices of some patrones and caciques.

4.3. Local power structures prior to the implementation of the decentralisation policies

This section highlights the power structure of the municipality of Monteagudo prior to the implementation of the Law of Popular Participation in 1994. Mainly four groups comprise the social structure: the white-mestizo, the Guaraní people, the *Colla* peasants and the *Colla* merchants. Their social and political status differentiate these four groups, with the white-mestizo at the top. White-mestizos enjoy higher levels of education and living standards. As described in the sections above, the political and bureaucratic elite reside among this group. Their social status derives from their historical sense of superiority not only because of their white-mestizo origin (which they consider privileged) but because they see themselves as pioneers of civilising processes in a region previously dominated by "non-Christians" and surrounded by traditional communities of Quechua origin.[124] A close look at the *hacendados* descendants show how many of them perpetuate privileged positions through the following three main paths: a) some remain in the area as local officers in NGOs or governmental organisations or handle small businesses. A large number of them comprise the groups of teachers and technicians; b) others migrate to the cities mainly to pursue higher education. Among them, some return to the area but most of them migrate indefinitely, keeping social and sometimes political links in their native regions; and c) others stay devoted to their medium or large-sized properties, producing under worse conditions in comparison with those of their parents and grandparents. People nonetheless still see them as the *patrones* because Guaraní and other landless people work for them sometimes only for the privilege to exploit for themselves a piece of land within the patron's property.

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[123] Interview with a uninominal deputee. He is a former president of the Civic Committee of the Siles Province and also a former president of the Departmental Civic Committee of Chuquisaca.

The *Colla* immigrants comprise a second social group in Monteagudo. Of Quechua and to a lesser percentage Aymara origin, they started to migrate from the northern areas after the national revolution of 1952 either as traders or land workers. Many of those who migrated as farmers own now a piece of land but all those who work for a salary and those who rent land still remain. Those who own land organise in peasant unions, although their geographical dispersion, the weak impact of the agrarian reform in the area, and the presence of caciques in the upper levels of their organisation (Peasant Centrals and Federations) influences their lack of organisation and cohesion. The other group of *Colla*, the traders and merchants who live mainly in the most populated villages and towns may be identified as a third social group. The important commercial infrastructure created by the defunct Regional Corporation of Chuquisaca (CORDECH) favoured immigration flows and roads along with the flourishing of merchants and transporters. This group took advantage of the economic opportunities opened by CORDECH during the 1970s. The most successful owners of public and private transport, traders, sellers, and those who provide services in general show their economic progress in their newly built houses, the number of their vehicles and even the new process of socialisation of their children with the sons and daughters of the local elites in common educational institutions (see for example annex 4.3 showing the occupations of the parents whose children attend the only English institute).

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[124] Part of these "civilizatory processes" comprise the introduction of new technologies, education in the rural areas, and more recently, urban manifestations such as the karaokes and swimming pools.

The Guaraní people comprise the fourth and lowest major social group in the socio-political stratification. Although native indigenous to the region, currently only four Guaraní communities exist in Monteagudo. They affiliate with their supra organisations, the Council of Guaraní Captains of Chuquisaca (CCCH), and the Guaraní People Assembly (APG) to which they respond as their maximum representative authority. Subdued for centuries by the hacendados, they organised their own communities only during the last decades. This owes to the initiative of the church, the Council of Guaraní Captains, and the Spanish Cooperation that bought land for them and supported their organisation since the middle of the 1990s.[125] By now, there is no clear data on the number of Guaraní organised in free communities and those still under patronage.[126] The process of liberalization encouraged many patrons to improve working conditions for Guaraní or even to sell their land and face the impossibility of sustaining a hacienda under the new conditions.

In spite of all the improvements in Guaraní lives, abuses and discrimination occur frequently. Even now, Guaraní people remain subject to their childrens' abduction to work as servants without payment and for physical and sexual exploitation. Many local institutions prefer to ignore these facts and do nothing about them (CCCH, 1996: *Jasikatu*, Captive voices, and interviews). Interviewees also highlighted the difficult position of the Guaraní in their new free communities because even though donations flow generously, their self-reliance and confidence is difficult to restore after almost one century of submission.

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[125] The CCCH started first as a modest project in order to implement health and productive works, but adopted the ultimate objective of organizing free and captive communities at the departmental level. At that time, the Catholic Church started an alphabetisation project among the Guaraní and carried out a project to buy land for the liberation of captive families through the Asamblea de los Pueblos Guarani (APG). These conditions favoured the creation of the CCCH, founded in 1994, with the support of the Capitanías Guaraní of Izozog (Santa Cruz), local Guaraní communities, and commited individuals. Eventually, the members of the Italian Church bought land for the Guaraní and the CCCH supervised some settlements. Around 1996, the Spanish Medicos Mundi joined the CCCH project. According to some interviewees, the external cooperation invested a large sum of money with the logic of an intervention from above (by choosing the land by themselves, establishing directories in the main cities, paying expensive tickets for European consultants, etc). Finally, clashes between the CCCH and external cooperation and a generational division among the Guaraní, with the oldest supporting the CCCH and the youngest the APG, ended in the breaking-up of the old supervisors and founders. The CCCH moved from Monteagudo to Muyupampa under the direction of the youngest Guaraní related to the Church. Patrons could not stop Guaraní's liberation, but did not pay their debts towards them either. On the contrary, some patrons argued that Guaraní owed them money and kept some of the Guaraní's goods (animals, small productive improvements).

[126] Chávez (1998: 24) estimated that by 1995, 450 Guaraní families worked as peons and 354 worked in independent communities. But in 1996, the CCCH (1996: 34) reported the existence of 2,589 Guaraní families: 773 in haciendas; 1,428 in free communities; and 388 "floating" families. According to KADASTER (1998: 73), in 1987 around 82 Guaraní communities lived under captivity and by 1998 this number reduced to 42.

In spite of non-violent conflicts in Monteagudo, much antagonism occurs among the four mentioned groups. The rest discriminate against the Guaraní because they consider them lazy and non-Christians. Some even object to the formation of their own communities as the following comments reflect: *"They are like children. They do not know what to do with their freedom"* (Colla peasant); *"At least in the properties, they work in their small plot besides the work they do for the patron…with the excuse to liberate them they were taken away. Now they are suffering because they have nothing"* (white-mestizo land owner). Meanwhile, and in spite of their submission, most Guaraní distinguish themselves proudly from the *Karai* (non-Guaraní people) to whom they consider mean and tricky. Worth noticing is that both Guaraní and *Collas* discriminate against each other now as much as in the past in favour of the white-mestizo. For example, in conforming to political parties and alliances from which they exclude each other.

For their part, the white-mestizo also discriminate against Colla people (either peasants or merchants) as the following comment reflects: *"There are two kinds of people here. One is the sauceño or people from here. The other kind of people is the cocaleros (coca sellers) who do not participate - the collas that took advantage of the town. Although it is true that they brought economic movement, they do not participate and just take advantages"* (white-mestizo councillor). New immigrants, meanwhile, feel discriminated against by "local" people and attribute to them a double discourse: *"Nobody here is really native"* (cocalero immigrant).

In summary, prior to the LPP, the four major social groups in the municipality of Monteagudo - white-mestizo, *Colla* peasants, *Colla* merchants, and Guaraní - were socially, politically, and economically stratified. Groups of male white-mestizo comprised the political and social elite while groups of both *Colla* merchants and white-mestizo held the economic power.

4.4 The Law of Popular Participation: the municipal government at the centre of local power

As described in chapter 3, the Law of Popular Participation modified the attributions of the municipal governments so that they constituted the centres where, ultimately, negotiations of local political and developmental issues take place. Although power struggles take place in places other than the municipal government, after the LPP passed in 1994, it became the most privileged arena reflecting socio-political transformations. This section describes the composition of the municipal governments and the features of its political struggles.

4.4.1 The composition of the municipal government

Before the LPP passed, mayors were nominated among volunteers with social and political ties along with personal wealth. Most of them passed through the mayorship as one more step in their career of public posts. One example is the case of a merchant and retailer who was municipal mayor in 1984, sub-prefect for four times, and currently a member of the civic committee and executive of the Union of Merchants. He remarks the actions of the dominant powerful group in the past: *"The civic committee is now 35 years old thanks to the leadership of the (current president of the municipal council who also occupied many public posts)... the progress of the area is due mainly to the initiative of the local people, the civics rather than to external help, personal relations, and the ability of the people... during the time that beggers from Tarabuco used to come, for example, we gathered our own money and sent them back to Tarabuco because we could not allow to appear bad."* Like him, many of the former and current authorities maintain a long list of public positions which both supported and received support by their social and political links.

As it happened in all of Bolivia, the LPP marked the beginning of a local democratic process as a means to elect representative members of the MG. Nevertheless, during the first years of the LPP, well-connected and economically privileged people still took over the MG. People reported cases of corruption and political intimidation on a daily basis, but these reports decreased with time. Currently, the MG of Monteagudo, in spite of discontent or political opposition, is seen as the most transparent and professional one. In fact, as never before, professionals dominate the composition of the current local government.

Among the current members of the MG, two were born in the rural areas, but none of them claim indigenous-peasant origin. As shown in table 4.3, no indigenous-peasant representation exists in the MG of Monteagudo. When asked about this lack of representation, one of the councillors said: *"It is not easy to work with Guaraní. If you leave them working and then come back they will be sleeping...It is their culture...(on the other hand) the immigrants who are not from this area are coca-growers who do not participate, they only take advantages."* The mayor of Monteagudo added to this view when pointing out that the councillors born in the rural areas assure peasant representation. The definition of "peasant" sometimes loosely refers to those born in the rural areas and sometimes refers to those of indigenous background, and thus serves a useful function for the white-mestizo in order to avoid the discussion of indigenous representation. The municipal government members fail to see the need to encourage the representation of peasants with indigenous background. In any case, in a rather paternalistic approach, they consider that the awareness and knowledge of (white-mestizo) councillors born in the countryside is enough to represent the general interests of peasants.

Mayors and councillors are increasing even more their privileged positions which consequently expands the distance between them and the common citizens for two main reasons. First, MG members receive training and information from governmental and non-governmental sources, regarding law implementation, administrative management, and human rights along with contacts with NGOs, international cooperation, researchers, and the media. The 2000, 2002, and 2003 budgets (annex 4.4) make it possible to estimate that 13 times more resources were spent in training MGs' executive and officers than in training social organisations.[127] Secondly, councillors receive their salary in addition to their income from their professional activities which they still keep in addition to their MG posts. In this case, they advance their own interests from a double discourse. On one hand, the "provincial" character of the municipality justifies only some working hours in the MG. On the other hand, they justify their larger salaries when compared to councillors in neighbouring municipalities based on the greater demands of their work and their professional status. Nevertheless, nobody seems concerned with this illegal situation.

Regarding gender representation in the MGs, women unusually represent the majority in the MG of Monteagudo. This occurs because three of them were substitutes in the list of their parties and perform as councillors only because of the disqualification of the main holders.[128] Only one woman born in Monteagudo - a teacher and journalist - went to elections as a first candidate. The rightist Democratic Nationalist Party (ADN) invited her as a candidate and as soon as she accepted she became an active partisan. *"In my particular case, everything was possible because of my temperament…I am the example that people look at and I cannot make mistakes…for me it was not difficult. I overcome the difficulties. For example, one moment ago I was asked why did I take the car of the council, but I do not ask for permission and I replied 'because I work and I am a councillor as much as the others and even more'…I learnt a lot by being journalist, I did not come here to learn."*

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[127] This occurs because most of the expenditures on municipal strengthening via different sources concentrate on training events either inside or outside municipalities. The estimation was done without considering the 8,423,254 Bs. contributed by external financial entities.

[128] Two women perform as councillors because the main holders underwent legal observations and were replaced. A third one substitutes for the candidate that now is performing as municipal mayor.

Table 4.3: Occupation, sex, and residence of mayors and councillors in high differentiated municipalities

Municipality	Post	Sex	Occupation	Previous residence
Monteagudo	Mayor	Male	Economist. Previously CORDECH for 18 years	Town
	Councillor 1	Female	Teacher and Journalist	Town
	Councillor 2	Female	Teacher	Town
	Councillor 3	Female	Teacher	Town
	Councillor 4	Female	Environmental activist, NGO	Town
	Councillor 5	Male	Teacher, ex-CORDECH officer	Town
	Councillor 6	Male	Doctor	Town
	Councillor 7	Male	Agriculture. Studying to become agronomist	Mixed
Muyupampa	Mayor	Male	Agriculture	Town
	Councillor 1	Female	Housewife. Studying to become nurse.	Town
	Councillor 2	Male	Producer (Guaraní, communal leader)	Mixed
	Councillor 3	Male	Producer	Mixed
	Councillor 4	Male	Producer	Mixed
	Councillor 5	Male	Producer	Mixed
Huacareta	Mayor	Male	Agriculture. Ex-mayor and medium land owner	Town
	Councillor 1	Female	Housewife	Town
	Councillor 2	Female	Housewife	Town
	Councillor 3	Male	Agriculture (Guaraní communal leader)	Countryside
	Councillor 4	Male	Agriculture	Mixed
	Councillor 5	Male	Agriculture	Mixed
Macharetí	Mayor	Male	Agriculture, producer.	Mixed
	Councillor 1	Female	Housewife	Town
	Councillor 2	Female	Housewife	Town
	Councillor 3	Male	Teacher	Town
	Councillor 4	Male	Teacher	Mixed
	Councillor 5	Male	Retailer	Mixed

Source: Fieldwork, 2003.

In spite of the presence of some women of educationally privileged position in the municipal councils, they still struggle with their male counter-parts as the following story shows: One of the female councillors was invited to attend a Departmental Women's Councillors meeting where she received the opportunity for election as a departmental leader. The male councillors adhered to the argument that the budget of the municipal council is too small to spend for a relevant occasion, much less an irrelevant one. In spite of intense negotiations, no woman travelled to the departmental meeting. *"They (men councillors) say that there is equity but it is not like that. They make alliances…do not allow women to arise, they travel when they feel like*" (female councillor 2). "*Men do not want to recognize that we can do as good as they do, and even better*" (female councillor 3).

Table 4.4: Political parties represented in the municipal governments of high differentiated municipalities, elections 1999

Municipality	Major	Number of councillors per political party					
		MNR	ADN	MIR	MBL	UCS	Others
Monteagudo	MIR	2	2	2	-	1	-
Muyupampa	MNR	2	1	2	-	-	-
Huacareta	ADN	1	2	2	-	-	-
Macharetí	ADN	1	3	1	-	-	-

Source: Fieldwork, 2003.

As for the political party affiliation of the municipal government members, it remains important to keep in mind that after the National Revolution of 1952, the Nationalist Revolutionary Movement (MNR) dominated the politics in the area. Even the dictatorial regimes which took power in 1964 adopted influence from the MNR ideology (Hofmeister, 1995: 90) although the local *hacendados* and *caciques* supported more conservative parties such as the *Falange Socialista Boliviana* (FSB). The dictatorial regime of Banzer Suarez (1971-1979) and the formation of the Democratic Nationalist Action (ADN) under his leadership in 1979 won the sympathy of owners of large and medium-sized land plots who saw their interests represented in the rightist party. "The success of this last effort (post-revolutionary colonisation of the eastern region) has been so overwhelming that since the early 1970s the Bolivian governments, for the first time in the history of the country, have represented almost exclusively the interests of the new bourgeoisie that has emerged in that region" (Havet, 1985:30). With the recovery of democracy in 1982, and especially after the signing of the national pact by ADN and MIR in order for the latter to take power (1989-1992), young professionals and the middle class turned their preferences to MIR. The MNR still enjoys peasants' loyalty after the 1952 revolution because for many it symbolises rights over land for peasants and the abolition of their servitude. They favour ADN and MIR because, as many interviewees said, political linkages in the regional and national level with parties in power favour the region with special treatments. That explains the strong presence of the three mentioned parties in the Chaco area and also the balanced division of the MG of Monteagudo between these three major parties (see table 4.4).[129]

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[129] The last municipal elections of December, 2004 show a different political party constellation for the municipality of Monteagudo with the incursion of three new political parties (Movimiento sin Miedo MSM, Movimiento al Socialismo MAS and Frente de Unidad Nacional UN). This resulted from the "voto castigo" (punishment vote) to the traditional political parties which for so long remained incapable of representing the interests of the majority of people. Nevertheless, the winning political party, MSM, comprises of mainly ex-members of the civic committee who although proclaimed non-partisan interests were always identified with the interests of the urban population and elites of producers and merchants'

4.4.2 The municipal government and the political parties

Before the LPP introduced universal municipal elections, political parties remained active in the area only before national elections took place and had some representation in the civic committees as well as in the few official posts (sub-prefect, major). After the LPP, their presence intensified also before local elections. Currently, in order to select municipal candidates, political parties approach well-known people such as professionals or merchants within the year before municipal elections take place. An ex-officer of CORDECH and current Judge said*: "Political parties have asked me to represent them in elections. I asked them how do they know whether I have the capacity and they say that I am a well-known person. They think that professionals have good ascendance…maybe now with the experience of the MAS*[130] *they won't think of the origin anymore… the LPP made possible to transmit that people have power and they can manage it."*

Political parties enjoy little prestige locally as a result of recent cases of corruption as well as their self-interested actions which, in the view of many people, contribute to the deep economic crisis. Additionally, several reports and interviews pointed to the negative effect of political party interventions in the MG of the four heterogeneous municipalities in terms of frequent change of personnel, favouritism, and clientelism. The practice of clientelism manifests in the frequent change of personnel, ignoring the Law of the Public Employee: *"Lots of time is lost training new employees. Six to seven months are required until they are prepared. We lose efficiency because of political incidence"* (officer, MG of Monteagudo). *"We had already so many disputes with the municipalities because we told (the MGs) that we are not going to train personnel again…we are not going to start every year again…"* (coordinator of the GTZ).

In Monteagudo, for example, the MG employs three pairs of brothers. The law prevents this unless accompanied by a proper explanation to higher levels of the organisation, which in this case never

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associations. It is still far too early to assess the implications of the new MG composition of Monteagudo, but the urban-oriented white-mestizo professionals clearly dominate the scenary.

[130] The reference of the judge to the political party *Movimiento Al Socialismo* (Movement towards Socialism, MAS) is very relevant. The MAS enjoys increasing presence in Monteagudo, supported mainly by immigrants from the highlands who defend coca production and commercialisation and propagate anti- liberalisation and anti-globalisation discourses. MAS is a minority political party in the region with the most radical discourse against traditional parties. Nevertheless, it was noticeable that most MAS representatives in Monteagudo live in the main town and maintain prosperous business. Additionally, they show no sympathy for the Guaraní people or for the small agricultural producers and some of them even criticised the MG for "favouring" the rural areas. Two reasons explain this: the historical discrimination between indigenous people of Colla origin and native indigenous people in the area, and the constitution of a new "class" of merchants separated from their peasant origins.

occurred. For an organisational chart with only 37 posts this constitutes a high number of family related workers. Besides that, even the workers at the lower level of the organisational chart and other temporary employees stay "protected" by politically influential members of the MG. An MG technician told me: *"You cannot touch even the gate-keeper if he is protected. Even if the mayor attempts to do that, his position could fall down*." An overwhelming number of workers in the MG hold their posts because of the common practice of allocating jobs in exchange for political or social sympathy.[131]

Political clientelism is also practiced by favouring the demands of communities which voted for political parties in power: "I think that there are preferences for political reasons. After the elections, the communities that voted for the political parties in power in the city (Sucre) and in Monteagudo have preferences… municipal officers told me that my community did not vote for the MNR and now there are fewer options for the projects this year…" (Member of the Peace Corps).

In Huacareta, alphabetisation training from a national program with international money aid was channelled only to those cantons that voted for the winners. Fewer benefited in this case and the opposition recognized that this kind of discrimination is normal in every governmental change. More abuses and mismanagements from the MG were reported in Huacareta among the four heterogeneous municipalities. An ex-mayor intimidated the vigilance committee members and TBO representatives and spent the resources on private social occasions. Before leaving, the offices of the MG were burnt, eliminating all documentation. The mayor belongs to the Lopez family, well-known as big landowners who participated actively in the counter reform after 1953.

The political networks of clientelists also work at the regional and national level, influencing local issues such as the nomination of mayors. The Law of Municipalities only allows changes of the mayor when he or she loses the trust of the council or for incompetent performance (*voto censura*). But, since it is not common that only one political party gains the majority of the votes, political parties make agreements to appoint one mayor or, more commonly, two mayors, one for each half of the MG period. That represents the case of the current MG period in Monteagudo divided beforehand between MIR and MNR. The ex-mayor of the MIR expressed his great disappointment in the political party pressures, but since it was an "upper agreement", he resigned to allow room for the new MNR mayor.

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[131] Based on a budget from La Paz, the MG of Monteagudo hired 49 employees, many under political clientelism practices. Currently, because of the incorrect calculation from La Paz, the MG pays 20 out of its 49 employees from the item for

In Huacareta, a local variation took place. Because of the ADN-MIR coalition at the national level, people expected a change in the mayorship from ADN to MIR. But one of the MIR councillors belongs to a historically rival geographical area of the municipality.[132] The other MIR councillor is a Guaraní representative. Because of this, the other three councillors and the mayor dismissed both and a new coalition took place: ADN-MNR. As a result, the only elected candidate for the MNR is the mayor.

Political parties often also influence the assignment of human and economic resources from regional and national governmental offices. Once the new political government took power in 2001, political parties at the central level appointed new districts of health and education authorities in spite of national regulations protecting public officers: *"When the government changes, all the personnel changes. Only remain those with more than 6 years of work. The others are changed because they also entered with a governmental change…even doctors and nurses are changed… unfortunately the health sector still depends on politics…but the selection is not just about 'pointing out' new people. The political parties make a selection according to the curriculum of the partisans"* (district director of health representing MIR).[133] *"I am institutionalised. I won a competition… the interference of political parties is very strong. They even told me to quit, but I will not do it… they cannot make changes without real justifications"* (district director of education).

Political clientelism also affects the channelling of resources from the prefecture. Departmental resources flow more easily and quickly when the political party of the mayor coincides with the one in power in the prefecture. *"The new prefect is a young person and we belong to the same political line…We are friends and we have the will to work… The former prefect was also my friend because he was president of CORDECH, but when he knew that I was from another party… then it was not possible to work together anymore"* (current mayor). The councillors supported the argument: *"The actions of the Prefecture are of total predisposition towards Monteagudo because the political arrangements led to that end. The MNR is now in*

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municipal investments.

[132] The origins of the rivalry increased historically based on differences of ethnic composition. People from the Ingre mixed with southern inhabitants while the rest of the municipality received immigrants from the north. The former are more relaxed and easy-going while the latter, because of their Quechua and Aymara influence, are known for being hard workers and serious. Some events increased the traditional rivalry. For example, roads connect Ingre with Monteagudo more efficiently than they do with the capital of Huacareta, which was annexed when only paths for animals existed. Because of that, Ingrenos tried to get annexed to Monteagudo. Their proposal was not accepted, but on the contrary, it created more resentment from the rest of the population.

the Government as well as the prefect and the mayor, they are from the same group of the MNR…This allows to visualize projects, as for example they are supporting a project of basic sanitation that the last MG could not do because the former prefect was from ADN" (councillor 1) and *"(The relation between the MG and the prefecture) was terrible in administrative, economic, and technical aspects. We were from the MIR and the government was ADN. In Monteagudo, we had a pact between MIR and MNR so ADN was against us*" (councillor 6).

Very often, political party rivalry between local and departmental authorities ends up with the local authorities relying on international donors or addressing directly their national representatives in the congress. Although members of the parliament play no role in the municipal planning, they influence this process by ways of clientelism. They receive demands from people and "channel" them to the mayor. Knowing the political relationship between the mayor, deputes, and sub-prefects, people tend to lobby with them in order to gain their influence irrespective of whether their demands play a part in the annual municipal plans or not. Despite the alleged good intention of many politicians, the practice of "channelling" demands influences politically the performance of the MG.

Practices such as the ones described above create uncomfortable feelings even among political-party partisans. Tensions are common between local political party representatives and their departmental and national correspondents: *"We have several conflicts with the chiefs of the political party…They want the municipality to be handled only with a political party criteria and we will not allow that; we want development and that is it!…they wanted me to leave (give) public work projects to the partisans so they could receive briberies, but I cut that radically …When I proposed that the enterprises that did a bad job should not come to the municipality anymore, I finally crashed with the politicians"* (councillor 6). *"There are (in the political party) regional chiefs who give us instructions. For example, in the case of departmental councillors elections, I wanted to vote for a dynamic and hard working person…but a political agreement determined our vote for the candidate of MNR. So, I voted against my will"* (councillor 2). Tensions between national and local partisans also emerge due to the unfulfilled promises of the first, as the comment of a political campaigner for the MIR shows: "*My political party did not fulfil its promises, a place to shelter rural visitors and a small office…Now I am really considering not to campaign for the same party in the following elections.*" An elected uninominal depute with a successful career as a regional and departmental civic committee

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[133] Evidently, in November 2002, eight workers of the Hospital San Antonio were changed because of political reasons, including nurses and doctors.

leader and enterprise officer offers another testimony: "*Almost all political parties visited me with offers… Maybe I was too ingenuous when I enter a political career, because the party did not send me even the money to initiate the campaign. We need money because people expect food at least. I have to get loans to do my own campaign… the official parties used resources of the state: cars, employees, food, and money. It was a totally unequal campaign.*"

These events explain the negative perception of the political parties even among their own representatives, as well as peoples' disagreement with the system of representation only through political parties. This issue was debated at the national level and changes were considered at the congress at the time of the field research (see section 3.7 for the recent changes on the political constitution allowing non-partisan citizen representation).

4.5 The Law of Popular Participation and the Guaraní people

The passing of the Law of Popular Participation implicated the inclusion of the Guaraní people in the political life of the four municipalities. This section describes how the mentioned law influenced their organisation and position of power vis-à-vis other local actors.

The increasing political visibility of the indigenous people in Bolivia since the beginning of the 1990s and the creation of urban-rural municipal governments by the LPP necessarily called the attention of political parties toward the Guaraní in the Chaco area. As Guaraní interviewees said, all major political parties approached them in Huacareta and Muyupampa and offered positions in their list of candidates. Among them, only the MIR offered the first positions in their list of candidates. Based on these proposals, the Guaraní decided to present candidates for councillors, not expecting to reach any mayorship as they considered them unprepared. In communal meetings, they consider the best proposals regardless of the political party and select candidates among those already with experience in leading Guaraní organisations, commonly still young leaders previously introduced to the world of the *Karai* through their Catholic education. Now, two Guaraní councillors represent the political party MIR, one in Huacareta and one in Muyupampa. The decision whether to stand in election as candidates intensified the differences between old and young generations: the young Guaraní agree on maintaining ties with the *Karai* political system while for many of the oldest captains, the LPP only created artificial cleavages among the Guaraní nation. The latter argue that the presence of a Guaraní councillor does not empower them, as young Guaraní leaders state. Evidently, there is ground for the oldest captains' reluctance to participate because Guaraní councillors are not welcomed by the non-Guaraní members of the councils, they are not appointed with high responsibilities, and as in the case of women, they must perform much better than the others to gain respect. This is not a local phenomenon, as Lema (2001: 231) reports, because even in municipalities with Guaraní majority where Guaraní mayors were elected, "nothing really is happening" because the presence of Guaraní in the MG translates not in results but as a source of "reactions that vary from the disbelief and contempt to scorn and anger." Although in Muyupampa and Huacareta where the two Guaraní councillors gained a weak acceptance, an even worse effect took place. The two Guaraní councillors confirmed that although they were elected as Guaraní representatives, they became servants of the municipality and "no longer only to the Guaranís", thus confirming the fears of older captains: their inclusion in the system, in this case as candidates, dilutes their own demands as one group of people.[134]

In Monteagudo and Macharetí, Guaraní participation reduces to the act of voting and the identification of communal (TBOs) demands once a year. They stay uninvolved in the planning or monitoring because none of them serves as a councillor, member of the vigilance committee, or municipal officer. When asked about the Guaraní inclusion in municipal planning, a councillor in Monteagudo said: *"The ethnic topic we honestly did not even touch… The Guaraní ethnic group is too closed… If you invite the leaders of the Guaraní to come here they do not want. They want us to go there. We have only five Guaraní communities and more than 70 non-Guaraní. The other day, we had a session in a Guaraní community and they asked us to help with food because of the drought. The Guaraní are always like that, before they asked the patron, now they ask the MG. They want everything easy not to work… They sow very little… They are not like the collas who work hard.*" Another councillor says: *"Thanks to the CCCH, it has been a revolution…(The Guaranís) are free of their patrons and the majority are independent… but there are still some of them who are used to having patrons and also want to have patrons."*

The Guaraní in the communities themselves do not perceive important changes in their lives as promoted by the LPP: "For us, the LPP is not good. It is written nicely but it is not fulfilled. I ask myself whose fault is this, theirs or ours? It can be ours… The councillors are from the town because our representative is one alone. He cannot do anything. He does not do anything" (Guaraní Captain in Huacareta). A Guaraní woman leader and mother of nine children also remarked that the changes the Guaraní saw in their lives mainly owe to NGOs interventions. She says, "Children study here the first five years… For example, I have one in the 12th year of school and the other in the military; because of the lack of economic resources, we cannot send the others (to school). They remain here."

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[134] In fact, before the LPP, the *Asamblea del Pueblo Guaraní* (APG), directly negotiated with the central government. After the LPP, negotiations took place between the government and the many municipalities with Guaraní population (Lema,

Most of the Guaraní interviewed valued concrete support for their agricultural activities, mainly the support given by CIPCA (NGO from the Catholic Church) on land granting, animals, and machinery. On the contrary, they criticize political parties that arrive to make offers before elections after which they disappear.

4.6 The law of popular participation and the indigenous Colla peasants

As for peasant and mixed communities, they are more open as well as better-integrated into the political system through their peasant unions. Although, as I mentioned before, the Agrarian Reform Law of 1953 impacted the Chaco area to a lesser extent, the affluence of immigrants from the higher zones as well as the work of the MNR political party allowed a region-wide peasant union organisation. After the passing of the Agrarian Reform Law, many hacendados organised their own peasant unions with the workers who settled on their properties. After the enaction of the LPP, some patrons took advantage once again by organising TBOs within the borders of their land and some even named themselves as presidents. Others took the opportunity to prevent the functioning of peasant unions by manipulating the legal terms of the law: "*Before, we were a peasant union. Now they (patrons) have told us to call ourselves only TBO*" (Colla peasant). It was not possible to confirm the number of these cases, but although few in number, they were reported in all four high differentiated municipalities.[135] In the four municipalities, physical geographical isolation and lack of peasants' access to information still allows the patrons to stablish their own rules. Abuses commonly go undenounced, and when someone reports them, they may find no response at the official level. At the human rights office in Monteagudo, which assumes responsibility for dealing with the violation of human rights, the son of an hacendado who himself was denounced for several abuses told me: "*We have here cases of breach in official functions…others of laboural exploitation, (but) we do not give solutions because if we do that, the other institutions created for that do not*

2001: 33).

[135] For example, a community resides close to Monteagudo where a big land owner employs Guaraní and mestizo migrants on his property. His property and some additional small plots comprise the TBO of "Tacuara." The vice-president of the TBO, a mestizo immigrant, said that it is not possible to organise communal meetings because the land owner does not like to see people not working and because the Guaraní do not contest the patron's supremacy but support it.

fulfill their function." The blatant contradiction of institutions not fulfilling their duty and the office of human rights not taking direct action results in no one really taking any responsibility.

Regarding the relation between the municipal government and the TBO members, evidence shows that in spite of nine years of decentralisation processes, the different backgrounds of peasants and technocrats result in conflictive disencounters on a daily basis. For example, communities in the region elect their president based on how much they trust and know about him. If the community members think that the leader cheats or inefficiently fulfills their demands (even if this is not his fault), they tend to change their president after one year or even less. Leaders change without leaving any formal record of their accomplishments and normally the new leaders have different ideas of what the community should include in the POA. This adds to the fact that, in spite of some sheets of information and summaries of annual plans available at the MG, TBO leaders do not own a copy. Many leaders ignore even whether the demands of their communities have been included. Therefore, TBOs present demands to the MG at any time of the year and tensions arise between both parts.

Another example shows how the majority of peasant leaders in spite of attending annual report meetings, can be easily manipulated because of their lack of knowledge and practice on controlling MG reports. The mayor of Monteagudo presented the annual report 2002 to TBO leaders on May 11th 2003. The meeting lasted from morning to evening and consisted of reports given in a heavy technical language. The report was prepared with a modern computer program and showed in a big screen. It included the economic and execution state of the projects and subprojects along with the places where they were executed and the origin of the invested resources. In spite of the computer presentation and outlets, the contents of the projects remained unclear for many; especially for the important part of the TBOs leaders who can neither read nor write.[136] More by chance than by intention, one of the attendees asked the mayor to explain better the previous page about the buying of a horse with the money collected at a local fair. The mayor went back and only then explained that the horse was bought as genetic material to serve horse-raisers in the municipality: *"Who ever wants it can bring their mares to be served."* In that way he answered the question as well as dissipated rumours attributing the buying to his inclination for horseracing. Of note is that nobody would have known of the horse as genetic material for horse-rasers if one participant had not stopped the meeting and inquired further. Before the meeting, and probably also after, only people related to the mayor would receive access to the common good.

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[136] Although many TBOs leaders are literates, they themselves manifested not to be in practice, and this was confirmed during the workshop in which the author and two assistants helped them to write down short questionnaires.

Similarly, some participants asked the municipal technicians about other projects for which the amount of investments, localisation, and justifications were not clear. One of the technicians publicly recognized that more information should flow from the MG towards the communities. But later on, the same technician told the author that he feels no obligation to inform the public in the meetings or in any other occasion. According to him, but contrary to the norm, communal leaders should assume sole responsibility for that.

Participation from female peasants in local representation and planning remain even less than male participation. Peasant women are relegated from representation posts starting in their own communities; they direct only two out of 70 rural TBOs. Additionally, the criteria of their male counterparts, particularly those of the communal leaders, commonly dictate their demands toward the POA. Table 4.5 shows the differences between TBO demands and those made specifically by women of 20 communities.[137] Their demands hide behind the ones supported by their leaders. As one communal woman leader said: *"Here we support our leaders. If they take a decision, women support it. If they want electricity, then we also say electricity."*

Table 4.5: Examples of TBO demands and womens' specific demands, POA 2003 Monteagudo

Community	Communal demands – TBOs	Women's demands
Valle Nuevo	Classroom and sportive area	Integral training (leadership, laws, sewing, bakery, netting). Technical support on agricultural production.
Saucimayu	Potable water and a school	
Maychamayu	Water system and gabions	
Buena Vista	School and road opening	
Sombrerillos	Drinking water and electricity	
San Miguel del Bañado	Latrines and enlargement of water system	Training (general) Improvement of households
Cerrillos	Improvement of households	
Tacuara	Drinking water and mill	
Peñadería	Improvement of households	
Cañon largo	Radio communication and protection of school area	

Source: Based on acts and letters addressed from peasant women to the MG of Monteagudo.

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[137] Supported by the initiative of one female councillor, women from more than 20 communities met to identify their own needs for their inclusion in the POA. The acts and letters that originated in those meetings (November 22-25, 2002) clearly highlighted the support of the women to the original petitions made by TBOs as a whole. They introduced their own petitions only after that.

As for the peasant representation, the LPP opened spaces for community leaders to receive access to representation, information, and decision making through regular workshops, report meetings, and consultations (to the resentment of the urban white-mestizo population who are now relegated to the last points during the informative meetings). More than ever before, peasants' leaders sustain the capacity to influence their communities as well as the authority to control and influence the VC, and therefore the MG. In most cases, though, TBO leaders do not exert these powers mainly because of the long distances between their communities and the town, illiteracy, and discontent with the MG and the VC due to unfulfilled demands. Although TBO representatives change periodically, those who show interest and leadership capacity often remain in their post. Many of the VC members and other leaders first perfomed the duty of representing their TBOs. Therefore, it is one of the first steps for the mobility of leaders toward upper levels of representation. Peasants also gain in terms of capitalising municipal resources because they tend to contribute more to the MG's budget than urban neighbourhoods not so much from their economic resources as from their labour force. This allows the MG to execute more projects at lower costs. In spite of this, and contrary to the case of the Guaraní, no indigenous-peasant had the opportunity to serve as a councillor. Political parties deny them candidacies possibly because the nomination of a peasant does not assure the voting of other peasants as in the case of Guaraní people. Political parties reach the furthest peasant communities before the elections but lack a proposal to organise them as a group. The peasants interviewed expressed that they see no difference among the proposals of the traditional parties.

Peasants in the four municipalities then lack a sense of common identity and fragment within the several dominant parties even though they see no fundamental difference between them. Their political fragmentation, lack of training and information in bureaucratic issues, and the fact that their unions actually never constituted groups of interests almost completely demobilises the peasants.

4.7 The vigilance committee (VC) as an instrument of power

TBO leaders normally elect one representative per canton of the municipality as a member of the vigilance committee. The VCs in the region started working only some years after the LPP passed and even now they work irregularly mainly because of the difficulties for the representatives of the rural cantons to travel to town.

Members of the VC of Monteagudo and Huacareta reported that former VC members faced intimidation, abuses, manipulation of information, or direct exclusion in their attempts to monitor the MG. Other VC members, in contrast, worked associated to local influential groups. An example of the latter is reflected in the comment of a former VC president: *"The public works implemented were not demands from the TBOs, but we opened their eyes. There is a strong crisis as well as food deficit in the region… We helped poor people with projects for women to work, because men work very hard from sunset to sundown."* Despite showing a lack of knowledge about womens' work, this comment reflects the vertical position of better-educated and well socially connected VC members who assumed paternalistic and even patronizing attitudes towards rural TBOs. This former VC president now acts as provincial representative to the prefecture (*Consejero*) due to, as reported by 2 councillors, the influence of his brother (the president of the municipal council) who exercised pressure on councillors to vote for him.

The current vigillance committee members of the four municipalities enjoy no autonomy from the municipal governments in power due to two reasons: first of all, they depend on the resources and good will of the GM members to reach the numerous rural communities and follow-up on the MG's work. Second, they take no particular interests in controlling projects which involve complicated bureaucratic and economic arrangements, and instead they find easier relations in "joint work with the MG." These relations involve in most cases unmonitored informal conversations without close surveillance over the MGs actions. The new MG members themselves ceased performing violent and threatening practices, but instead they provide official reports to the VCs and sometimes include their members in their official visits to the field as a way to endorse municipal projects. Nonetheless, the relations between both parts tend to be either tense or submissive on the part of the VC. Some of the VC members abandoned their surveillance work in the field and rely instead on the oral reports that TBO representatives provide. Other VC members, especially those with good relations with the MG, refer to themselves as part of the MG even as executives rather than as TBO representatives.

The case of the vigilance committee of Monteagudo gives an example of the mechanisms that debilitate the representation of the interests of the population vis-à-vis the MG. The VC is comprised of four representatives: one woman who represents the biggest and more urban canton and three men representing the other three cantons. All of them are active members of peasant unions, and the president of the VC also occupies the position of executive of the Peasant Federation of the Siles-Calvo provinces. As such, the president attempts to strengthen the peasant federation from his position in the VC as the following experience shows. The president of the VC, the official planner of the MG, and I wrote an invitation for the TBOs of Monteagudo to participate in the workshops where some of the interviews and questionnaires for the study were carried out (May 10th, 2003). The original letter of invitation explicitly mentioned peasant unions, Guaraní *capitanías* and neighbourhoods. It also included a specific call to women leaders. Later on and without any consultation, the president of the VC changed the content of the letter, eliminating the words "*capitanías*" and the paragraph in which women were particularly invited. He addressed the invitation to "the General Secretary of the Community Union", explicitly excluding Guaraní captains and women. This event showed that VCs also operate with manipulation and influence, and allow the possibility to channel external resources according to one's own interests.

Currently, the political party preference of most of the Monteagudo VC members coincides with the one of the current mayor. Partly because of this but also because of a lack of coordination among VC members and between them and the MG, not effective control exists over MG plans and public works. As an example, a fundamental tool for planning (the POA 2003) was evaluated in a hurry (three or four days) and only by the VC president. This situation caused tension with the only woman member who remains proactive in her criticisms and surveillance which resulted so far in her exclusion from information and decision-making processes.

Regarding following-up of projects,VC members receive far too few resources to perform their tasks. All of them pointed out that they need more resources because they not only receive no salary and receive few support for their trips, but they also must spend their own resources. For example, the president of the VC spent money from his own pocket on repairing the motorcycle that was donated by an NGO to the VC. The lack of support and clarity of the legal norms in how to cover these types of expenditures impeded him to have his few *Bolivianos* back.[138] A civil employee in Sucre suggested to him an indirect way to recover his money by buying gasoline and then selling it again. The president refused to put himself in that position and instead took the loss. Therefore, VC members in the area have so far experienced limits in their task to exert control over the municipal plans and MG performance not only because of their exposure to violence and exclusion but also because of the lack of clear norms as well as material resources. More important than that, very often the lack of political commitment from VC members and democratic practices within their political parties make the VCs mere instruments of political cooptation or instances without leverage.

4.8 The re-configuration of power relations

As mentioned before, access to public positions and representation before the LPP were still shaped by the legacy of the weak effects of the National Revolution of 1952 in the area: local landowners and their family members and later on the so called *caciques* acceded to higher echelons of peasant organisations, political party representations, civic committees, and bureaucratic posts in public administration. The former maintained stronger presence in Huacareta, Machareti, and Muyupampa, while the latter dominated public posts in Monteagudo. Social origin, political relations, as well as economic position and the willingness to assume the responsibility formed the criteria to choose local authorities. Mayors, *corregidores*, sub-prefects, as well as civic committee members were chosen among the most influential people and rich merchants with long-term local residence. This section describes how the decentralisation policies, mainly the law of popular participation, were adopted and implemented and how it affected local balance of power.

4.8.1 The local adaptation of the popular participation law

The advances of the decentralisation processes in expanding local spaces of representation, not to mention the impressive investment on prior totally marginalized areas, are undeniable. The four social groups described in section 4.3 benefited from opportunities for participation, debate, and information as never seen before. The achievements in terms of political representation and empowerment, though, only provide glimpses of what the LPP promoted. The implementation of the LPP as a means to improve political-party democracy expressed in the composition of the municipal government was again co-opted by well educated white-mestizos - mainly the old caciques and the professionals.

As an example, among the four caciques of Monteagudo described in table 4.2, three of them occupy currently public official posts. Cacique 1 is the president of the municipal council, cacique 3 - former president of the vigilance committee - now presides as provincial councillor and president of the Association of Vigilance Committees of Chuquisaca, cacique 4 serves as the sub-prefect, and cacique 2 occupies a private relevant position as president of the Merchants Association.

The most remarkable example is the case of one cacique carefully described by Healy (1982: 254-256) who now acts as the president of the Municipal Council in Monteagudo. By the time of Healy's

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[138] The *Boliviano* is the Bolivian currency.

publication (1982), he already occupied a long list of public posts. Starting from leading the Teachers Organisation in Monteagudo and the Teachers Departmental Federation, he served as president of the Civic Committee, held administrative posts in cooperative councils and managed the *Cooperativa Nacional Desgrasadora* (CONALDE). Interviewees once close to him (ex CORDECH officers) and others consider that he did not win influence through corruption in terms of personal acquisition of economic resources, but by the misuse of influences, intimidation, and patronage. He maintained ties with the extinguished political party *"Falange Socialista Boliviana"* during dictatorial regimes and used his privileged access to radio communication systems to contact regional and national authorities. Many people feared him because of the possibility of being denounced as "communist", which could lead to imprisonment as some local neighbours experienced. With the closing down of CORDECH, he lost his position as chief of public works in the Porcine Cabana. The Law of Popular Participation gave him a new opportunity to capitalise on his social and political networks and he became councillor. Now, he holds the post of president of the Municipal Council representing the party *Movimiento de Izquierda Revolucionaria* (MIR). His councillor colleagues as well as municipal officers recognize him as the most influential figure in the MG proved by his leadership in the handling of MG meetings.

The example above is remarkable because of the visibility of public posts occupied by the current councillor, but it is not a unique case. In the zone, some other influential people who already occupied a long list of public posts survived the failures of development projects as well as a change of regime and demise of political parties. They showed the capacity to accommodate changes in political conditions and the opportunities brought about by development projects, including decentralisation interventions. As Healy (1982: 277) already noticed, "The power of the cacique shows flexible pragmatism rather than a fixed ideology. The local powerful group adheres to any dominant national group in power", and one may also add: to any policy intervention.

As for the professionals (descendants of hacendados), figures 4.1, 4.2, and 4.3 show how they not only hold privileged positions in their own localities but also how they influence others through their family ties with other power-holders in surrounding areas. They mostly engage in urban public affairs, dominating positions in the MG, NGOs, associations of producers, and others.

Figure 4.1: Examples showing the occupation of traditional families' descendants in Monteagudo

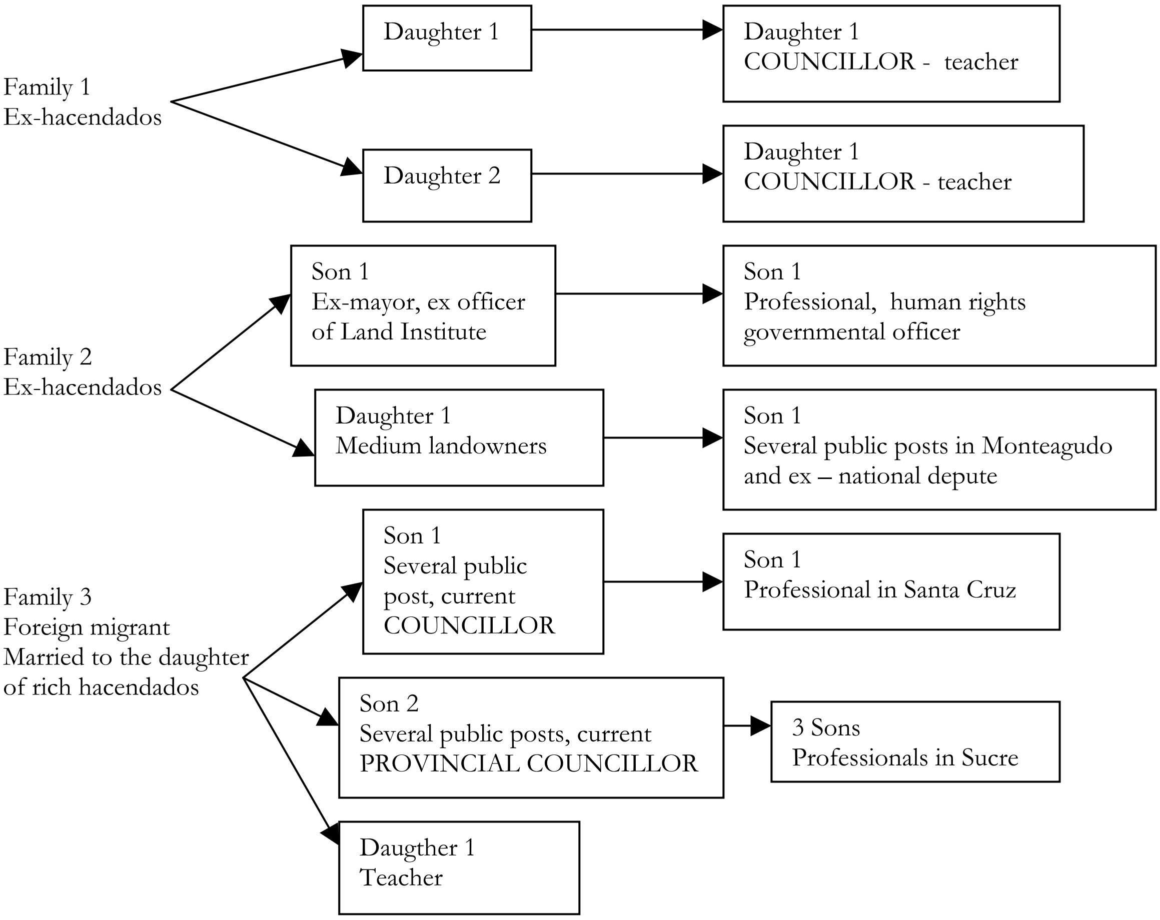
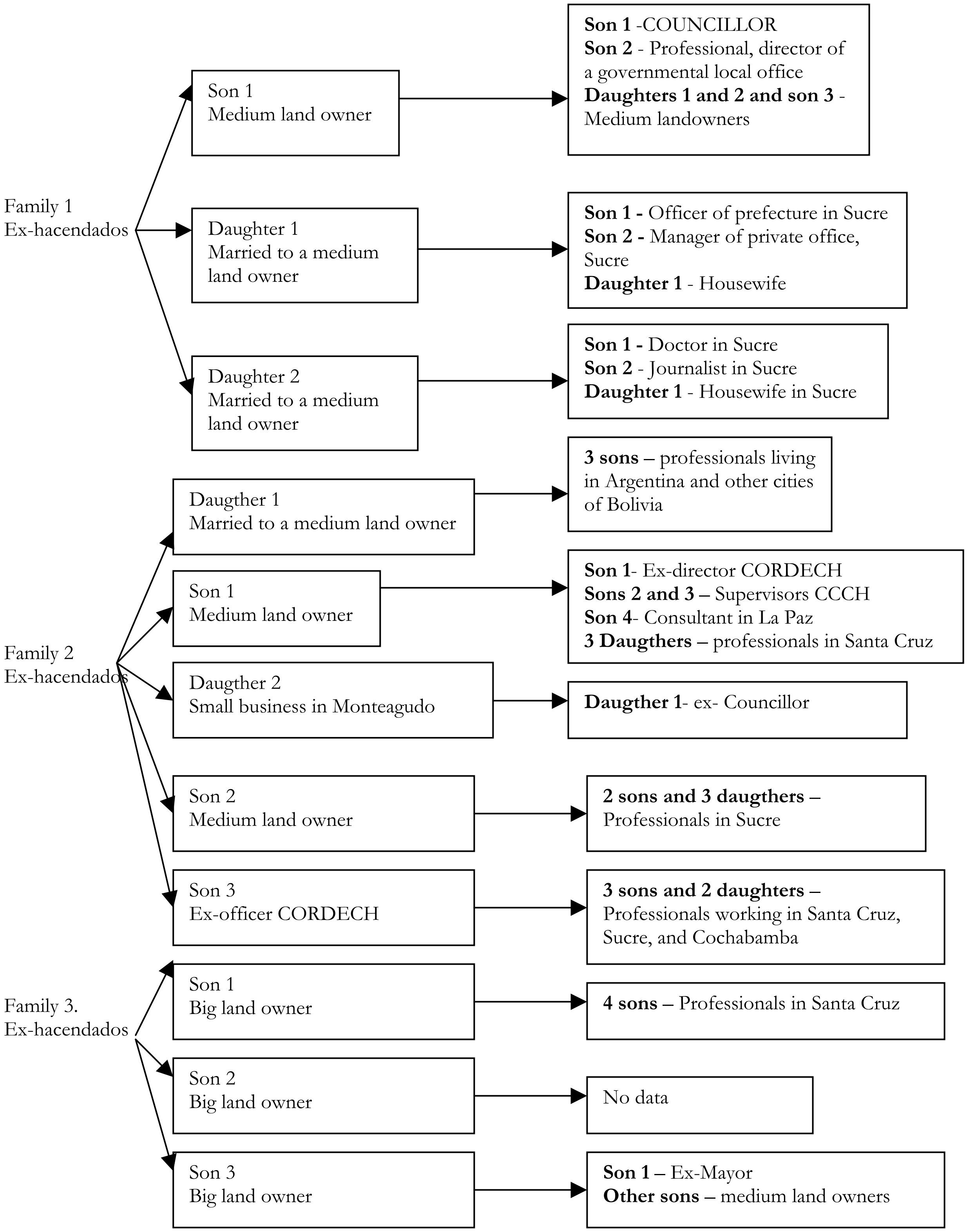
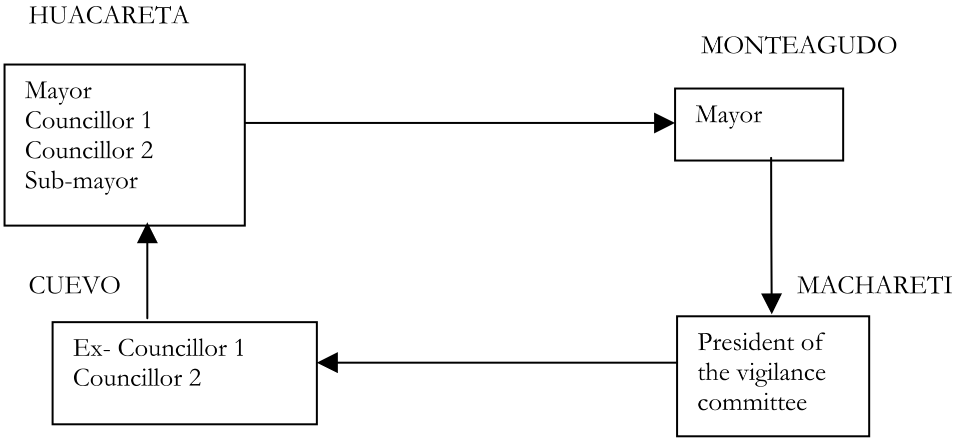

Family 1
Ex-hacendados
Daughter 1
Daughter 1
COUNCILLOR - teacher
Daughter 2
Daughter 1
COUNCILLOR - teacher
Family 2
Ex-hacendados
Son 1
Ex-mayor, ex officer of Land Institute
Son 1
Professional, human rights governmental officer
Daughter 1
Medium landowners
Son 1
Several public posts in Monteagudo and ex – national depute
Family 3
Foreign migrant
Married to the daughter of rich hacendados
Son 1
Several public post, current COUNCILLOR
Son 1
Professional in Santa Cruz
Son 2
Several public posts, current PROVINCIAL COUNCILLOR
3 Sons
Professionals in Sucre
Daugther 1
Teacher

Figure 4.2: Examples showing the occupation of traditional families' descendants in Huacareta


Family 1 Ex-hacendados
Son 1 Medium land owner
Son 1 -COUNCILLOR Son 2 - Professional, director of a governmental local office Daughters 1 and 2 and son 3 - Medium landowners
Daughter 1 Married to a medium land owner
Son 1 - Officer of prefecture in Sucre Son 2 - Manager of private office, Sucre Daughter 1 - Housewife
Daughter 2 Married to a medium land owner
Son 1 - Doctor in Sucre Son 2 - Journalist in Sucre Daughter 1 - Housewife in Sucre
Family 2 Ex-hacendados
Daugther 1 Married to a medium land owner
3 sons – professionals living in Argentina and other cities of Bolivia
Son 1 Medium land owner
Son 1- Ex-director CORDECH Sons 2 and 3 – Supervisors CCCH Son 4- Consultant in La Paz 3 Daugthers – professionals in Santa Cruz
Daugther 2 Small business in Monteagudo
Daugther 1- ex- Councillor
Son 2 Medium land owner
2 sons and 3 daugthers – Professionals in Sucre
Son 3 Ex-officer CORDECH
3 sons and 2 daughters – Professionals working in Santa Cruz, Sucre, and Cochabamba
Family 3. Ex-hacendados
Son 1 Big land owner
4 sons – Professionals in Santa Cruz
Son 2 Big land owner
No data
Son 3 Big land owner
Son 1 – Ex-Mayor Other sons – medium land owners

Source: Fieldwork, 2003

Figure 4.3: Authorities holding family ties in different municipalities



Source: Fieldwork, 2003.

The same group still dominates other organisations such as the civic committee or the cooperatives. As figure 4.4 shows, the civic committee still comprises of well-known people from urban orientation, far from a democratic representation. On the contrary, its president expressed the importance of pursuing an "institutional representation" that in his view would legitimize the committee. Interestingly, a group of young professionals formed another civic committeee called "Union Progresista Saucena". Far from adopting a new inclusive and participatory approach, it relies on regionalist arguments and their identity as Sauceño (those born in the canton Sauces), although many of them descend from *Colla* immigrants. Now, as in the past, the civic committees of the Chaco area as a whole want to form their own autonomous region, an interest that took force again vis-à-vis the recent findings of gas reservoirs in the area.[139] Besides being the richest department in Bolivia, the respective CCs of the Chaco gain economic and political power as some of them receive income from royalties. It comes as no surprise then that local elites comprise main promoters of separatist and autonomist movements.

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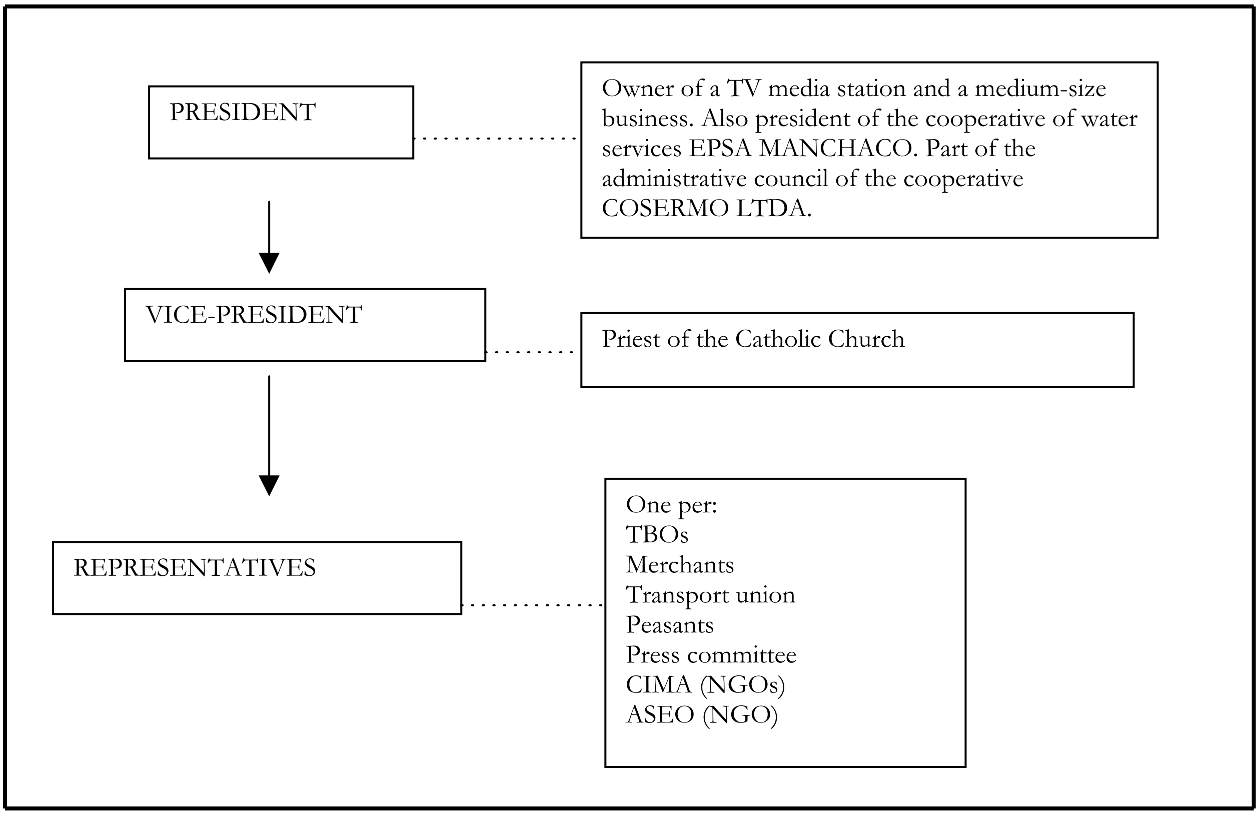
[139] The CCs of the Chaco municipalities signed the "Quebracho Pact" showing their disposition to comprise a new department (interview with president of the civic committee of Monteagudo, December 11th, 2002).

Figure 4.4: Composition of the civic committee of Monteagudo


PRESIDENT
VICE-PRESIDENT
Priest of the Catholic Church
REPRESENTATIVES
One per:
TBOs
Merchants
Transport union
Peasants
Press committee
CIMA (NGOs)
ASEO (NGO)

Owner of a TV media station and a medium-size business. Also president of the cooperative of water services EPSA MANCHACO. Part of the administrative council of the cooperative COSERMO LTDA.

Source: Fieldwork, 2002.

As for the position of women, their situation after the LPP reflects their prior socio-political condition. Professional women of white-mestizo origin, urban location, and who additionally show exceptional dynamism gain access to the MG. They remain disadvantaged compared with their male counterparts, but especially in Monteagudo, cope with cultural discrimination and challenges. Few female representatives of the TBOs exist, and most take part in the urban neighbourhood organisations. As for womens' control and influence over decisions, the LPP opened spaces at the communal level where women participate in the yearly meetings. Nevertheless, cultural factors still constrain them from taking positions of representation. Men resist their participation explicit or implicitly by arguing about the lack of resources or cultural values (e.g. lack of resources to bring both one male and one female representative to the meetings, womens' responsibility for childcare, and others). In many communities, women submit to mens' decisions, but in others they express their own voice.[140] The public presence of female representatives encourages communal leaders to increase their participation and women with leadership vocation slowly challenge the white-male patron figure of power.

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[140] The differences seem to be related to origin of people (migrants are more open), economic position and level of education of women and presence of NGOs working on gender-relations awareness.

4.8.2 The balance of power after nine years of decentralisation

As implicit from above, it is possible to affirm that the power structure remains unchanged in the four studied municipalities, and privileged white-mestizo still dominate the top. Candidates involved in the elections of mayors and municipal and provincial councillors, especially in Huacareta, Muyupampa, and Macharetí, belong mainly to a rural elite of hacendados. In Monteagudo, urban caciques and professionals dominate these leading positions. More than that, the mechanisms applied to hold these privileged positions are not new but only adapted: clientelist relations with regional and national political party tiers, privileged access to information, and increasing domination through a bureaucratic and developmental discourse assumed as "right" and superior.

In 1985, Havet argued that when power relations are not very polarised, they are more diffuse and less visible and therefore more efficient. This argument applies to the four high differentiated municipalities as one way to understand the lack of indigenous reaction against the power of the white-mestizo. The difussion of power within different groups and organisations started after the agrarian reform with the installation of governmental offices, and later on, development programmes such as CORDECH and the cooperatives. The introduction of several traditional political parties during the 1980s added to the many socio-political organisations, which nevertheless remained in hands of the hacendados and their descendants. After the LPP, the competition between political parties and even the opposition of civic committees became struggles among the same privileged group and sometimes among the same elitarian group. "In objective terms, it is competition within the elite group that leads to the diffusion of the power structure, while cooperation leads to polarization of that power structure" (Havet, 1985: 111).

The church, the NGOs, and the international donors themselves play a role in reinforcing this "diffused" power. By channelling privileged information and training to leaders, peasants, urban dwellers, and councillors, they strengthen their position. This improves the function of the bureaucratic procedures of decentralisation, but insubstantiates even more the basis of uninformed and disempowered with their leaders. It also distracts the formation of peasant interests groups with more horizontal levels of information and organisation. Very often, expernal cooperation agencies and

NGOs attend to the homogeneization of practices and technology without questioning their political implications. As table 4.6 shows, contrary to the low differentiated municipalities, NGOs in the high differentiated municipalities focus their work on infrastructure and technology, and less on organisation.

Table 4.6: Non-governmental organisations in the high differentiated municipalities

Name	Working area	Municipalities
ASEO	Natural resources and environment	Monteagudo
Peace Corps	Rural infrastructure	Monteagudo, Huacareta
CARE*	Agriculture, organisation	Muyupampa
CARITAS	Various	Muyupampa
CIPCA	Food and material, support to Guaraní people	Muyupampa, Monteagudo
MEDICUS MUNDI	Infrastructure, training, health	Monteagudo; Muyupampa, Huacareta
CIES	Reproductive and sexual health	Monteagudo, Huacareta, Muyupampa, Macharetí
Mennonite Central Committee	Agriculture and health	Monteagudo
PROINPA	Production of red pepper with womens' organizations	Monteagudo, Muyupampa

* CARE is the most mentioned NGO among the interviewees, especially in Monteagudo, where it carried out works on basic sanitation, drinking water, soil improvement, nutrition and social organisation.
Source: Fieldwork, 2003.

In this socio-political and developmental constellation, the most disadvantaged either by their ethnic, gender, or economic background find no cohesive force to identify with - not even a clear figure of the agents responsible of their subordination. This occurs nonetheless because the means of their underprivileged position lays in historical discourses of white-mestizo superiority propagated by the institutionalisation of their power through developmental and democratic organisations.

4. 9 Summary of the chapter

As a way to summarize this chapter, it is important to highlight the following four aspects: First of all, the historical development of the region determined the predominance of Spaniard descendants first as big landowners dominating under the hacienda system. Lately, this same group and other urban caciques took over spaces as political figures in peasant unions, civic committees, and as part of directive and technical spaces in CORDECH and cooperatives. With the passing of the LPP, the descendants of that group - mainly professionals - occupied the political, technical, and representative spaces vacant in the MG and vigilance committees. Secondly, as a result of the LPP, established groups of power face the competence of new influential groups of professionals, all of them from the same white-mestizo well-educated origin. Third, the high differentiated municipalities of the study do not count with a sense of common identity, like in the case of Quechua or Aymará dominating cultures. The search for a new common identity increasingly takes shape in the term “Chaqueño”, but it is the white-mestizos and urban Colla descendants who commonly use it excluding other Colla and Guaraní population whithin the municipalities. The competition within groups and elites of white-mestizo origin and the emergence of grass-roots leaders in the political scene favours the difussion of power. No cohesive ideological or organisational force represents the majority of poor peasants. Fourth, after the LPP and in spite of the minimum but novel representation in the MG, Guaraní people face the cooptation of their interests as a group by the political-party dominated new scenario in an historical time when economic resources are available to them but their capacity to organise and take their own decisions calls for sthrenght after centuries of submission.

CHAPTER 5: LOW SOCIO-POLITICALLY DIFFERENTIATED MUNICIPALITIES

This chapter describes the main social, political, and economic characteristics of the four low differentiated municipalities: Sopachuy, Padilla, Alcalá, and Tomina. The in-depth case study, Sopachuy, provides most of the basis for the analysis. As for the case of the high differentiated municipalities in the former chapter, this chapter explains the formation of the current social and political structures and describes the changes on power structures in the framework of the decentralisation policies. Both this chapter and chapter 4 establish the basis for the comparative analysis carried out in chapter 6.

The first part of the chapter provides an overview of the general characteristics of the municipalities. The next part explains the historical framework for the formation of the current socio-political structures in the region. The third section describes the local social structures before the implementation of the decentralisation policies. Section four outlines the composition of the current municipal government as the privileged centre of power representation after the Law of Popular Participation passed. Part five presents the main changes brought about by the implementation of the LPP in the position of the Quechua population. Part six describes the role of the vigilance committee as a tool of grass-roots control over the actions of the MG. Part seven deals with the impact of the decentralisation process in the reconfiguration of power.

5.1 General characteristics

5.1.1 Location and climate

Sopachuy, Padilla, Tomina, and Alcalá belong to the same province, Tomina, in the central area of Chuquisaca (see map 1.2 in chapter 1).[141] Historically, the Incas first populated the area as advanced territorial borders against the incursion of the Chiriguano (as Guaraní were formerly known) of lower lands in what today are the Siles and Calvo provinces. Later on, Spaniards occupied the area and founded several Catholic towns with the same purpose.

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[141] The four municipalities represent 6.1 percent of the population and 6.6 percent of the extension of the Chuquisaca department. Among the population who identify themselves as Quechua in Chuquisaca, 6.3 percent live in the area under study.

Although the inhabitants surpass the number of 4,000 in each of the four municipalities, only Padilla contains a big urban settlement with 2,200 inhabitants. In Sopachuy, Alcalá, and Tomina the urban population remain less than 2,000 and are therefore considered rural municipalities. The municipal governments settle in the small towns of the municipal capitals.

Several ecological levels and microclimates comprise the area. The richness of its natural resources, such as abundant water and native forage for pasturing, best facilitate agriculture production and cattle raising. The climate varies between humid, sub-humid, and temperate according to the altitude which ranges from 1,000 to 3,000 meters. The average of the extreme temperatures in the area varies between 7 and 28 °C. In spite of the mild climatic conditions, the area remains vulnerable to frosts, hailstorms, droughts, and floods, placing the traditional production of crops at risk all year. The degradation of the soil constitutes the major environmental problem because of the agricultural use of steep mountains and the extreme division and exploitation of the land known as *minifundio* (PDMs of Sopachuy, 2001; Padilla, 2001; Alcalá, 2001; and Tomina, 1997).

5.1.2 Population, poverty, and migration

The Quechua are the largest indigenous group in Bolivia, totalling approximately 30 percent of the population. In the area comprised by the four studied municipalities, they represent 63.3 percent of the population, with the lowest percentage in Alcalá (30 percent) and the highest in Sopachuy (84 percent). Spaniard descendants and white-mestizo who identify themselves as non-native groups follow with 34 percent. “Other natives” comprise only 0.5 percent of the population (INE, 2002).

Poverty indexes decreased in the Tomina province from 95 percent in 1991 to 90 percent in 2001 (INE, 2002). High levels of poverty and lack of basic services in most rural areas influence the presence of endemic diseases such as malaria, chagas, and tuberculosis as well as a high incidence of goiter. Lack of access to land, minifundio, and exhausted soil contribute mainly to the extreme poverty. Women of the rural areas are among the most illiterate and poor[142] partly because of their fewer years of schooling, less training in the Spanish language, and gendered roles so as to prevent them from direct access to land, credit, and training.

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[142] The difference of literacy between women and men in the rural areas of the four municipalities is between 21 and 35 percentil points. Women pursue one to two less years of education than men (INE, 2002).

Table 5.1: General characteristics of the population in low differentiated municipalities

Indicator	BOLIVIA	Sopachuy	Padilla	Tomina	Alcalá
Total population	8,274,325	7,241	12,562	9,060	4,034
Rural population in percentage	37.6	100	78.4	100	100
Density	7.5	11.6	7.8	11.9	12.9
Percentage of poor people*	58.6	91.0	86.9	94.6	86.0
Percentage of illiteracy**	13.3	46.3	30.1	46.0	34.69

* The Map of poverty classifies the population in five groups according to poverty ranks: marginalized, indigents, moderate poor, those in the threshold of poverty, and those with fulfilled basic needs. The first three groups included in the table lack basic needs such as minimum access to health and education, water, sanitation, and good housing in terms of physical space and building materials.

** Of people over 15 years old.

Source: INE, 2002 on census 2001 and INE-UDAPE, 2002 on Bolivian Map of poverty 2001.

Around 15 percent of the population migrates temporarily or permanently in Sopachuy.[143] Migration is common among young men in search of labour in the agricultural sector in Cochabamba (mainly Chapare), Santa Cruz, and Argentina. Over 70 percent of female immigrants work in private houses while over 79 percent of male immigrants work in agricultural activities (PDM Sopachuy 2001: 160). As in the case of women in the Chaco area, young women migrate to work in private households in the local towns and in the main cities such as Sucre and Santa Cruz.

Education opportunities create another incentive for migration. Most young rural immigrants migrate to the urban areas of the municipalities, or better yet, near larger cities. The affluence of children and young people in local towns, however, remains less than in the high differentiated municipalities but it is also very common that temporary trips for educational reasons result in permanent migration.

Among the other municipalities, Alcalá maintains the highest percentage of temporary migration with 41 percent followed by Padilla with 27 percent and Tomina with 5.3 percent. Permanent migration stays lower than 4 percent in all cases (Municipal Development Plans). Immigration to these municipalities is low and mostly temporary. Immigration depends on patrilineal location after marriage and tourism during carnival and local festivities.

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[143] The GM Sopachuy mentions 15 percent of migrants based on a sample of 20 percent of the population. ATICA (2001) mentions that at least one member of 35 percent of families in the area migrates.

5.1.3 Economic activities

Most of the active population (51 percent) work in the agricultural sector followed by industry with 20.3 percent (extraction, construction, and manufacture) and service sectors with 4.9 percent (INE, 1999). Padilla is the most dynamic economic municipality, followed by Tomina, Sopachuy, and Alcalá in direct relation to the road accessibility to the markets of Sucre and Santa Cruz.

People in these areas devote their time to the traditional production of maize, potatoes and wheat, and in less quantity to the fruit trees, peanuts, and red pepper. The area contains exceptional characteristics for the production of "*papa misk'a*" or early potato, which allows more than one harvest per year. The breeding of cows and smaller animals is another important source of income, and on a lesser scale, craft weaving and ceramics. In Sopachuy, over 80 percent of these activities are based on family work and only moderate-income and affluent families occasionally hire labourers (PDM Sopachuy, 2001: 259).

The agricultural production aims to accomplish different ends: family consumption, the market exchange for other products, and seeds for the next harvest. According to municipal diagnosis and interviewees, around half of the production aims to provide the self-sustainment of the community. The communities situated close to the main roads produce mostly for the market. The commercialisation of products happens mainly in the communities where intermediaries buy the production and animals and take them to the cities. Other communities unreachable by intermediaries transport their products using animal labour (i.e. donkeys and horses). They exchange of products locally and sales at annual local fairs. Selling and *trueque* (exchange) for other products take place in the various local fairs, but these provide only a temporary source of income and some involve walking for several kilometres. Permanent markets in the main towns are very small or nonexistent.

Limitations on land use remain consistent. In Sopachuy, most of the families cultivate between 1 and 5 ha. Some peasants enjoy access to river water while others rely on precarious irrigation systems; the rest rely on the rainy season (ATICA, 2001: 3). Family individual plots comprise the widespread form of land tenure in the four municipalities (see table 1.5 in chapter 1). There is also communal owned land used for pasturing and infrastructure that benefits the community as a whole (i.e. schools, sports fields). Besides individual family plots and communal land, other forms of access to land exist such as renting in exchange for cash payment or in exchange for part of the production.

Work organises around the family members and the traditional roles assigned to them according to their sex and age. Women assume sole responsibility for household activities and also participate in agriculture and animal breeding. Their exert influence over familial decisions relevant to health and education issues but not in agricultural production and communal organisation.

As shown in Annex 4.1, truck owners and those with capacity to store products earn six times more than those devoted to agricultural activities in Chuquisaca. Interviews and municipal studies point out the relevant role of the transporters who "rescue" the production from the communities and bring it to the markets. The truck owners exert patronage over the producers by reducing their presence in the communities to uneven relations of exchange. More often than not, transporters establish low prices and lie about the weight of the production. Another way of exchange is the *trueque or* exchange of goods. The *trueque* takes place when transporters leave goods such as coca and sugar to the producers one year before collecting the harvesting. The next year, the truck owner collects products much more valuable or more abundant than the products he left last year. Nevertheless, producers highly value the role of transporters as the following comment reflects: *"For us to transport the production is terrible. There is no way to transport to the market… Now we have roads but still not market… The truck owners come and take the production from the community. They pay us less so they can also earn, but that is better than being travelling up and down"* (female peasant).

Among the poor and moderate-income producers, temporary migration as agricultural labourers and the selling of handicrafts complement the family income. The more affluent rely on the selling of agricultural and cattle production.[144] As for people in towns, the most profitable activities are private health offices, legal services, restaurants, and stores that provide packings (unperishable) goods brought from the main cities. Recently, with the improvement of the road systems, new bus enterprises also flourish.

Two main roads connect to Sucre (the capital): Sucre – Tomina – Padilla – Alcalá, and Sucre – Tomina – Sopachuy – Alcalá. The rural communities connect to the urban centres through small unpaved roads and mostly experience problems during the rainy season. Some communities are linked only through horse paths.

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[144] According to ATICA (2001: 8), out of a sample of four communities, the average family income from agricultural activities is $100.7 U.S dollars. Cattle selling provides an additional $264 U.S. dollars per year. The average income of migratory activities was calculated at $140.5 U.S. dollars per family. In total, the average income calculated per family per year amounts to approximately $512 U.S. dollars. According to the PDM of Sopachuy, more fortunate families may reach an income of Bs. 2715 annually (approximately $390 U.S. dollars) without including the exchange of products and migratory activities mainly performed by the poorest people (PDM Sopachuy, 2001: 251, 254).

The urban centres of the four municipalities connect to the national web of telecommunication via modern telephone networks. Communities with NGOs or health posts can access their radio-communication systems. Otherwise, peasants walk to town or send messages via intermediaries (truck drivers or acquaintances).

5.2 Historical background

5.2.1 Native people and the hacienda system

Before the arrival of the Spaniards, Quechua human settlements covered the area. They integrated with the Inca Empire and devoted their time to agriculture and the management of different ecological zones with sophisticated techniques of irrigation and production. Their basic unit of organisation was the community, which was ruled by authorities that rotated in their functions and managed their resources with autonomy (Urioste, 2002: 2). Land belonged collectively to the community as a whole and the authorities took responsibility for distributing its use within the members of the community. The *mita* or work for turn regulated the labour force and distributed the load of public services.

With the arrival of the Spanish, many Quechuas converted to Christianity. They collaborated with the Spaniards in the foundation of Catholic towns like Sopachuy in 1581. The Spanish founded Tomina (1575) and Padilla (1583) with the objective of drawing a border between the "unfaithful" and fighter Chiriguano of the lower lands.[145] Alcalá was founded later (1782) as one of the Spanish settlements where their descendants devote their lives to agriculture.

The Spaniards adapted the system of personal obligations from the Incas and established the *mita* in the silver and gold mining extraction industry in the highlands. The haciendas originated from the *encomiendas* and the *reparticiones* (Spaniard Royal land granting). The *encomienda* consisted of the granting of land, including people within it, to the *encomenderos*. The encomenderos were male Spaniards or Creoles entrusted to convert the indigenous population to Christianity. The indigenous people, in turn, needed to pay the *encomendero* in the form of work, money, or animals. The system of

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[145] For example, Tomina was first founded with the name of Villa de Santiago de la Frontera (Bordering Villa of Santiago).

encomienda was modified into the transferring of land and people by heritage and by recognising free indigenous people as peons in the haciendas.

It was during the formation of the republic after the Bolivian independence in 1825 when the hacienda system was consolidated. During the first 50 years of independence, a series of legal dispositions granted land to the Creoles. Between 1900 and 1953, the hacienda system served as the main form of land tenure and production linked to the rich mine owners through economic and social relations. The haciendas of the central part of Chuquisaca were important supporters of the mining lords because they provided food and materials for the nearby exploitation of silver mines in Potosí. Contrary to the case of the Chaco's landowners, some patrons in the central valleys delegated control of their haciendas to overseers and expected the tributes of the indigenous people in their main residences in town. Later on, this would have an important effect on the takeover of their properties by the peasants during the agrarian reform. The temporary or permanent absence of the patrons and the high density of the indigenous population contributed to the social cohesion of the communities. "Despite the superimposition of the hacienda, the native community was able to maintain social ties, a tradition of mutual help and a high degree of group consciousness" (García, 1970: 304).

5.2.2 The agrarian reform

As noted in chapters 3 and 4, the Chaco war between Bolivia and Paraguay (1932-1935) raised awareness about the servile conditions of the indigenous and the extremely polarised distribution of power. Indigenous' revolts, though, took place as early as the end of the 19th century, when under the leadership of the Aymara Zarate Willca, they reclaimed the restitution of their land, the indigenous part of the government, and the election of authorities through direct vote (Urioste, 2002: 3). In 1943, the president Gualberto Villarroel organised the First Indigenous Congress but only the national revolution of 1952 brought fundamental changes to the conditions of the indigenous population because they took active part in it in alliance with other social groups. "The forerunner of the revolution was an intense social struggle which tried to break the defenses of the State: it began as a political-military coup…and unfolded as gradual insurrection of the workers and the middle classes, the revolutionary intelligentsia, the mining proletariat and peasant masses, of both the highlands and the valleys" (García, 1970: 308).

One year after the national revolution on August 2nd 1953, the Agrarian Reform Law established the reversion of land to the state, after which the land was distributed to indigenous peasants. The Agrarian

Law of 1953 completely changed forms of land tenure and ways of production in the central areas of Chuquisaca. Peasant communities took land in general by violent means and organised their communities as peasant unions within the limits of the old haciendas. Peasants of the four low differentiated municipalities consider the Agrarian Reform Law as a historical corner stone. *"The agrarian reform brought us (peasants) land, access to vote, and liberation from our almost slavery conditions." "Now we have our land. Before we used to depend on the patrons…The agrarian reform gave us what was our right";"Now we live in tranquillity, the agrarian reform brought us freedom"* (TBO peasant leaders). Ex-patrons and white-mestizo in town still keep resentments and bitterly remember the process in the area: "*With the Agrarian Reform, only the minifundio is left. All properties were affected, even small and medium size and that was against the law…One old woman landowner who knew nothing was assaulted by a group of peasants, accused of witchcraft and threw alive to the limekiln.*" "*I remember a young man who used to clean my shoes when I was student and I met him in Sopachuy little after the revolution. He was armed till his teeth. He greet me by my first name, when before he used to call me 'señor'. I asked him about his job as shoe cleaner and he told me: 'now other people clean my shoes.' He became depute for the MNR… they committed many abuses with the ex-patrons..flagellated and even killed many patrons*" (ex-hacendados).

The successive division of plots soon shadowed the agrarian reform by spreading the *minifundio*. Additionally, the lack of co-lateral means of production and the inefficiency and corruption of the organisations responsible for carrying out the reform left the indigenous living under subsistence agriculture. The agrarian reform split "in two different directions as regards its philosophy, social objectives and practice: one devoted to land distribution, and the other to institutional services for agrarian development" (García, 1970: 327). Development projects of the state and international community mainly applied in the lowlands. This resulted in important interventions of NGOs that wide spread in the valleys from the 1960s.

The results of the agrarian revolution left local peasants with a contradictory feeling of pride and fear: on one hand, they take pride in their organisation and in their grandparents who fought against the patrons and acquired full rights over their land. On the other hand, they struggle on a daily basis over production and land problems. Their land is too small for their needs and most small tenants cannot produce legal documentation for their land.[146] For them, not even the new Law of the Agrarian Reform Service (1996) described in chapter 3 solves any of their problems. They perceive it as favouring the ex-patrons, because among the both objectives of the law, *saneamiento* and the granting of unproductive land to those who do not possess enough, only the first is pursued in practice, and only partially.[147] One of the most perdurable impacts of the national revolution is the deep class conciusness that remained among the wider peasant population. They still keep in mind the "ex-patrones" as the identified and clear enemy to fight against. Using the terms of Havet (1985), this polarisation of forces, even if the patrons are not likely to return, leads the peasants to clearly identify with the experience of oppression. As a result, cohesion among indigenous peasants in the area strengthens around their identification as peasants and their fight for their land and their organisation.

5.2.3 The instrumentalisation of development projects: the Development Corporation of Chuquisaca and the cooperatives

Due to the insignificant relevance of the valleys of Chuquisaca in terms of minerals and oil resources, and therefore its contribution to the GDP, CORDECH lacked the same presence and influence as in the Chaco area. A diagnosis elaborated by CORDECH in 1993 makes evident that this institution left NGOs the space to work on productive activities along with health and education services. CORDECH contributed to the area mainly through some investments in storing barley and wheat as well as equipment and machinery to process wheat seeds. Some credits also reached this area, especially Padilla, because of its proximity and good connection to Sucre and Monteagudo.

At the time when CORDECH promoted the Chaco area as a "Pole of Development," the agricultural sector saw a decrease in its importance (from 1985 onwards) due to the high rates of interest, opening of the national market to neighbouring countries, and the elevation of transportation costs (CORDECH, 1993: 13). That made the valleys of Chuquisaca where traditional agriculture predominates and Quechua traditions are more difficult to penetrate a less attractive ground for development projects. For example, the Tomina province as a whole participated with only few associations of producers promoted by CORDECH in the Federacion de Asociaciones Agropecuarias de las Provincias Calvo, Siles, and Tomina (FEDEAGRO). In 1993, only seven associations existed, less than the 25 percent of the total members of FEDEAGRO.

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[146] Most families (68.7 percent) lack legal certificates over their land in Sopachuy (PDM Sopachuy, 2001: 164).

[147] The *saneamiento* process promoted by the INRA law started in the eastern part of Bolivia where the *minifundio* is not the biggest problem. So far, the process had not yet reached the *minifundio* area of the valleys where people feel it should

Throughout the department, CORDECH officers maintained clientelists relations with local people. A neighbour of Sopachuy recalls: *"Before, the prefects used to go where better invited and give money as it was their personal present. It was like that. Even the deputes (used to do the same)... Many honours were given to them but they were spending the money of the state. To get a small building done it was necessary to make them a party. A poor town had to give money for these parties. The ones who drank and ate were the leaders of the town, the authorities and their people..."* Unlike the Chaco's civic committees, those of the valleys did not have the power to exert pressure and relied more on personal favours and sympathies.

As for the cooperatives, the Catholic Church created the cooperatives "San Jose Obrero" and "San Mauro" during the 1960s with the main objective of stabilising the price of goods which until then only the merchants regulated. They also aimed to provide agricultural credits and training services. These cooperatives faced administrative problems mainly due to the lack of management capacities. Administrators tended to oversee the importance of the markets and focus only on increasing and gathering the production.

CORDECH and cooperative officers belonged to the white-mestizo population who remained in the area and held the few bureaucratic posts. In spite of the success of the revolution on giving peasants political rights and land, social prestige, and political links still ensured the white-mestizo population's position as the dominant group in town. They favour the few white-mestizo patrons who remained in the area, owned small and medium properties, and kept paternalistic relations with the peasants. Nevertheless, the story of the local cooperatives show that their decline resulted more from structural conditions than from the actions of the weakened urban elite (see García, 1970 for an analysis of the structural conditions that led to the failure of the cooperative's experience in Bolivia). For example, the cooperative San José Obrero in Sopachuy reached its best moment with 500 members when agricultural products were given for free. Once this policy of incentives finished, the membership decreased considerably to reach the current number of 165. The lack of credit repayment during the inflation years of 1981 and 1985 debilitated further the cooperative (PADER Sopachuy, 1999 and inteviews).

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have started from. This gave place for the peasants to procede to the *saneamiento interno* based on local agreements backed up by the strength and authority of the peasant union and supported by NGOs (Fundación TIERRA, 2002).

The two cooperatives currently present in Sopachuy, San José Obrero and COSAL, still favour the majority of the peasantry.[148]

5.3 Local power structures prior to the implementation of the decentralisation policies

This section describes the social groups of Sopachuy and their social-economic and political position in the general power structure before the passing of the Law of Popular Participation in 1994. Mainly three major groups comprise the social structure of Sopachuy: the indigenous Quechua population, the white-mestizo, and the few Colla immigrants. The first dominate in terms of number and culture. They organise in communities, each one corresponding to a peasant union and after the LPP to a Territorial Base Organisation (TBOs). As described in chapter 3, Quechua communities keep traditional forms of organisation in terms of agricultural, social, and political practices. Although peasant communities keep strong social ties and cohesion, important differences in economic and social status preside among them. Commonly, these differences relate to access to land, links with the main populated villages, and sometimes ownership of merchandise. Most Quechua peasants devote to agricultural practice in their own plots within the limits of their communities. There are also those without access to land who instead either rent land or work as daily labourers even from other more prosperous Quechua peasants. Many migrate to the urban area of Sopachuy mainly in a search for better education for their children, but still perform agricultural activities.[149]

Among the second group (the white-mestizo), most live in the urban Sopachuy devoted to small business, official posts, or agricultural businesses. Contrary to the hacendados' decendants in Monteagudo, younger generations in Sopachuy migrated permanently soon after the agrarian reform. Most of the personnel involved in education, health services, and in NGOs descend from white-mestizo origin, but belong to other regions. Maybe due to the relative isolation of the municipality and centuries of coexistence between indigenous Quechua and white-mestizo, the latter adopted many traditional uses of the former, speak their language, and keep even friendly relationships, especially among women. For example, some white-mestizo resort to indigenous traditional "doctors" in cases of deadly diseases.

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[148] The former still provides services such as a mild to grind maize and wheat, technical assistance, a store with lower prices, credits totalling $90 U.S. dollars, and loans on fertilizers and other agricultural and veterinary products. Currently, the delay on repayment remains high due to recent climatic disasters (mainly hail storms), but they continue functioning partly thanks to the German Committee Tréveris, which still supports part of the personnel's salary. COSAL, present in Sopachuy and Padilla, gives credit to groups in rural areas and to individuals in town. Facing delays on repayment, COSAL changed its system by allowing payments in small amounts; even with loans totalling Bs. 500, COSAL accepts regular payments of 20 Bs. ($71 U.S. dollars and $2.8 U.S. dollars respectively). The new strategy allows peasants to pay their loans and even to save some money. Two other organisations grant credit in the area: ANED and FADES. Their charge interest rates operated under market conditions. In some communities of Padilla, Tomina, and Sopachuy, institutions such as CARITAS, PROSEMPA, and PROINPA give agricultural products on loan until producers commercialise their own products.

[149] Rural schools account only for the first two or three primary levels, while in urban Sopachuy, one school provides education at all levels. Additionally, urban schools maintain better conditions.

Finally, few families of immigrants live in Sopachuy, most of them from the higher zones of Potosí, La Paz, and even other municipalities in Chuquisaca. They work mainly in commerce and have prospered economically during the years. They run small and medium shops with merchandise from Sucre, La Paz, and other neighbouring countries. Because of their ethnic origin, the white-mestizo look down on them, but economically they comprise a dominant group. As Havet (1985: 67) highlighted in his study of a neighbouring town in the early 1980s, "the small shopkeepers aspire to a non-peasant status, but hardly reach it in the elites's perception. They are de facto peasants who sell limited canned goods, soft drinks and fruite. They are treated by the elites as peasants."

Within this provincial social constellation, differences in social, political, and economic status before the LPP were noticeable. First of all, the white-mestizo population were at the top of social and political status because of their mixed Spaniard origin, better education, and political and social relations in the main cities. The quechua *campesinos* occupy the lowest social strata because of the following related factors: first, they are among the poorest and therefore have less years of schooling and no access to basic services such as drinking water and sanitation. This creates a higher incidence of diseases among them. Second, they connect less to the external world and maintain a strong community-orientation. These two factors separate them from the fast processes of modernisation where education, professionalism, and a changing knowledge of the world (as related to political and technological changes) take increasing precedence. Nonetheless, their indigenous origin alone represents a source of discrimination from the white-mestizo in town as in all the country.

The distribution of political power prior to the LPP was much more complex than the social one. On one hand, peasants organised under unions had political relevance as the lower tiers of a national organisation: the Unique Confederation of Peasant Workers (see annex 5.2). Political parties, mainly the MNR and the MBL, nevertheless penetrated the strong organisation of the peasants in the Chuquisaca valleys. The MNR enjoyed the loyalty of the peasants as a leader of the national revolution. The MBL was present because of the militant work of NGO members. In Sopachuy, the MBL enjoyed the favour of the overwhelming majority as proved during the later municipal elections. On the other hand, political posts such as the mayorship, Corregidor, and local judicial representatives were in the hands of the white-mestizo in town. Therefore, political power representing the state and the different governments locally remained in the hands of the white-mestizo and responded to the main political parties in power (MNR, ADN, and MIR). Political power compartmentalized in two spaces, the rural and the urban, with the urban holding the status of formality vis-à-vis the state.

The economic group of power comprises of merchants, service providers, and traders from white-mestizo and Colla origin. Their economic relevance and power originated before the LPP passed. Many of them started their business from very humble origins and took the opportunities opened by the improvement of roads, growing population in town, and their bargaining power once they gained the means to negotiate prices. As in the case of high differentiated municipalities, many of them prospered by exploiting the peasants' conditions: *"We sell our production to the intermediaries…If we take it to Sucre is worse because the price is not established so in order not to come back with our products we give it away at whatever price they pay…"* (peasant ex-mayor).

Three of the most successful merchants moved from higher lands, including one from La Paz. They bought and improved their houses, making it possible to recognize them for their modern style and the use of cement. One merchant who owns trucks carries agricultural products to Sucre and Santa Cruz from where they bring groceries, coca, and other products to Sopachuy. The indigenous origin of most of them facilitated an easy and non-conflictive insertion into the daily life of Sopachuy.

With the above analysis in mind, it can be said that the power structure prior to the LPP responded to the results of the agrarian reform. It changed effectively the distribution of land and gave political and social rights to the indigenous peasants but only partially improved their social status, economic conditions, and their capacity to take political decisions beyond their own organisations. "What has been demanded of agrarian reform is not, strictly speaking, the payment of a price for the land as a productive good – because a real land market did not exist in the traditional society- but *rather the price of the social power confiscated from the landowning classes by the revolution*" (García, 1970: 346).

5.4 The Law of Popular Participation: the municipal government at the centre of local power

This section describes the composition of the municipal government and its main political struggles. As mentioned in chapter 3, this analysis considers that after the passing of the LPP, the MG provides the privileged space on the local arena where power struggles and socio-political transformations transpire.

5.4.1 The composition of the municipal government

Before the LPP passed, the MGs influenced only the small and medium towns. The mayor in Sucre directly appointed mayors sometimes based on a list of three candidates selected by the local population. As most descendants of ex-hacendados migrated to Sucre and La Paz, those who remained behind took control over the post in the city hall as well as in the positions provided by the few governmental projects such as CORDECH. Since the MGs concerned themselves only with urban affairs, no contest emerged over these positions by the powerful rural peasant unions.

As table 5.2 shows, currently, professionals, producers, and housewives alike comprise MGs in the area. Quechua peasants have representation in the four municipalities and some of them worked in agriculture shortly before occupying their councillor seats. All of them have former experience as union leaders and received training by NGOs; some even worked as facilitators in developmental projects.

The most remarkable case of a peasant mayor in the four municipalities is that of Alejandro Jimenez in Sopachuy. Because of his success as leader of the Peasant Union, he was postulated as candidate and elected mayor by the Free Bolivia Movement (MBL) in Sopachuy in 1996. In 1997, his party asked him to resign because of his poor performance in the MG; some people accused him of sleeping behind his desk and ignoring the contents of the LPP. He says: “*I was a very well known union leader in the department, province and cantón, but to manage the municipal offices was a drastic change for me...Because I knew how to bike, they gave me a motorcycle that I could not drive. That has been my obstacle.*” The national leader of the MBL considers that supporting a peasant leader as mayor implied a political cost to pay because the peasant logic of leadership differs much from the administrative management of the municipal offices which require basic knowledge and abilities such as reading and writing in Spanish and the ability to negotiate with local and regional organisations. “*My story is very long...I was promotor of a cooperative, and leader of the catechism. After that, I was agrarian sub-inspector and five years leader of the peasant sub-central. I was obliged to accept the mayorship, but the party did not support me when I did not know to manage the municipality...some people told me that at least I should use tie and hat, but I told them* *that by using a tie I won't be more intelligent...I bought the documents (text of the laws) with my own money, selling my animals and then obtaining the documentation to learn...That is why I bitterly cry. I do not have anything because I was honest...God does not say to exploit our own class...When one is honest is not possible to prosper easy."* Once asked for his party to resign, Alejandro Jimenez made a dramatic change. He resigned as mayor and once he was automatically made councillor, he voted for the rightist party Democratic Nationalist Action (ADN), thus giving place to the election of a mayor under this political party. Although unproven, most people believe that Alejandro Jimenez received bribery. He says: *"Some people from the MBL called me to Sucre and then made me cry there...They forgot that I alone used to go with my red horse campaigning for the party as Christ here and there ... They told me I was doing nothing and made the party to look bad...They looked down to me because they despise people from the countryside saying 'this coquero (coca chewer) knows nothing'...I had enough public works in Sopachuy, but then out of anger against the MBL, I voted for the ADN out of revenge. As an example, I can say that if they took my wife, then I take the wife of my enemy...I do not believe in any political party now. The politicians fight against each other and then in the road we meet again with the same face... Neither I believe in the peasant federation because I know how they live - they protest against capitalism but ask money to assist to one or other congress or other things...The same that the disease of the potatoes plants has entered the peasant unions...Everything has been taken by the political parties."* The experience of Alejandro Jimenez attracted the attention of political parties, peasant unions, and NGOs alike because it made evident that political action which supports peasants in the local governments is not enough. Lack of theoretical and practical rigurosity among the basis and leaders lead to enormous setbacks for the peasants.

Currently, two of the mayors are professionals (Padilla and Sopachuy) and two worked in the past as agricultural producers (Alcalá and Tomina). The current mayor of Tomina is a young MBL partisan of peasant origin. He served as leader of the peasant *Sub-centralía* and *Centralía* and later on worked with the NGO CEDETI. He replaced the former mayor of the ADN in a second term (second part of the five-year MG term). The former alliance between ADN and MIR deteriorated, allowing him to fulfill the mayor position.

The current mayor of Sopachuy and also the only professional in the MG works as an architect. As Alejandro Jimenez before him, the low level of formal education among indigenous councillors created conflict between them and MG officers and other profesionals: *"I had some problems with the teachers because I did not understand some words...After a while, I learnt that it was the district director who had to* *control and not me. I had to coordinate with the scholar board and not with the professors"* (councillor 2). *"We had some friction (with the councillors) in the control that they exercise because, for example, in infrastructure they lack information and knowledge and sometimes this has created misunderstandings"* (municipal officer, Sopachuy).

Table 5.2: Occupation, sex and residence of mayors and councillors in low differentiated municipalities

Municipality	Post	Sex	Occupation	Previous residence
Sopachuy	Mayor	Male	Architect	Sucre (capital)
	Councillor 1	Female	Secretary	Town
	Councillor 2	Female	Housewife-agriculture. Union activist	Countryside
	Councillor 3	Male	Agriculture. Ex union leader	Countryside
	Councillor 4	Male	Studying to became technician	Mixed
	Councillor 5	Male	Technician	Town
Padilla	Mayor	Male	Professional	Town
	Councillor 1	Female	Housewife	Town
	Councillor 2	Female	Teacher	Town
	Councillor 3	Male	Retailer, commerce	Town
	Councillor 4	Male	Agronomist. Ex union leader	Mixed
	Councillor 5	Male	Producer	Mixed
Tomina	Mayor	Male	Producer. Ex union leader	Mixed
	Councillor 1	Female	Housewife	Town
	Councillor 2	Female	Housewife	Town
	Councillor 3	Male	Producer. Ex union leader	Mixed
	Councillor 4	Male	Producer. Ex union leader	Mixed
	Councillor 5	Male	Transport (truck owner)	Town
Alcalá	Mayor	Male	Agriculture	Mixed
	Councillor 1	Female	Housewife	Town
	Councillor 2	Female	Housewife	Town
	Councillor 3	Male	Agriculture	Countryside
	Councillor 4	- - -	Not habilitated at that time	- - -
	Councillor 5	- - -	Not habilitated at that time	- - -

Source: Fieldwork, 2003.

Educational and information constraints are overcome mainly by the training provided by NGOs and international communities to mayors, councillors, and officers on administrative and management issues from different sources. In that way, after nine years of the LPP, small rural municipalities comprised of peasant-indigenous councillors formed the foundation to exert control over expenditures and municipal public works. The case of Sopachuy shows that the leaders of the peasant unions closely control indigenous-peasant councillors through the reports given by the mayor, the control over the work carried out in their communities, and through the vigilance committee. Informal talks also take place continuously in a relaxed atmosphere at the door of the municipal council's office while councillors wait for their meetings to start. People, mainly men, arriving from the rural areas to town *"para echarse de menos"* (to find out what is going on) approach the councillors and discuss with them communal and municipal plans.

Women represent a minority of 20 percent of the municipal councils because most of the female candidates are introduced only in second instances in the political party lists. Among female councillors, only one is of peasant origin while the rest belong to the urban areas. The following reasons explain the novelty of two women serving in the MG of Sopachuy: the requirements of the law for political parties to postulate at least 30 percent of women in their list of candidates, which mobilised political leaders and sympathizers alike in the search for women leaders, and the strong temperament and leadership of both women. One comes from an urban area and substitutes for the first candidate elected as mayor. The other works as a producer from the rural area who achieved first candidate in the electoral list. Both women councillor acknowledge that their social environment is not only unfavourable but sometimes hostile to the emergence and participation of women: *"We have encountered a lot of resistance (to organise women), especially from the husbands, not from the leaders. It is a very machista area. Husbands resist even to their wives going to health centres"* (councillor 1). The Quechua female councillor recalls: *"We still have to fight a lot with women. There are still lots of machismo from men even when the councillors say that women have to participate. Last week, we had a meeting...and I asked why womens' participation in the communal directives is disappearing and they told me that there is too much failure with women. Their husbands are jealous and there are quarrels that nobody helps to solve. I told them that they could not inform on that way, otherwise women will not want to participate."*

Table 5.3: Political parties represented in the municipal governments of low differentiated municipalities, elections 1999

Municipality	Major	Number of councillors per political party					
		MNR	ADN	MIR	MBL	UCS	Others
Sopachuy	MBL	-	1	1	3		-
Padilla	MIR	2	1	2	-	-	-
Tomina	ADN	1	1	1	2	-	-
Alcalá	MBL	-	-	2	3	-	-
Total	-	3	3	6	8	-	-

Source: Fieldwork, 2003.

As for the political party constellation, it is noticeable that *de facto* redistribution of land in the valleys of Chuquisaca along with social and political gains after the first years of the national revolution of 1952 ensured the loyalty of indigenous-peasants to the MNR for more than two decades. Later on, the political action and commited work of NGOs linked to the political party Free Bolivia Movement

(MBL) since the late 1970s turned the peasant militance towards this party. These NGOs worked directly with the peasant organisations in the planning of productive projects, strengthening of the peasant organisation, and others in a novelty of a development intervention: engineers and technical personnel working alongside the peasants. Local elections after the LPP gave the MBL and its militants the opportunity to take over the MGs, and unsurprisingly, the four mayors in power after the LPP passed represented the MBL in Sopachuy.[150] Among the other three low differentiated municipalities, Tomina and Alcalá also sympathise with the MBL, while the three major national political parties dominate in Padilla.

The presence of ADN and MIR in the municipal governments responds to the urban population's preferences. For example, a high-ranking national leader of the MIR was born in Sopachuy and some residents continued voting for his party in spite of several accusations of corruption in the hope that the town might acquire some benefits. The MIR leader delivered only personal favours until he changed his political affiliation a couple of years ago and his prominence in the national political arena declined.

5.4.2 The municipal government and the political parties

Several interviewees in the field pointed out the influence of political parties on the performance of the MG. In Sopachuy, the MG and its officers denounced the former ADN representative elected to fulfill the rest of the municipal period until 1999 after the falling of Alejandro Jimenez deleted some documentation before relinquishing power. The performance of the mayor culminated in a series of irregularities so that in 1998, 57 percent of the expenditures of the municipal budget were classified under the category "unspecified" (Nijenhuis, 2002: 8). *"When we assumed the municipality in 1999, we had a debt of almost 50% of the resources of co-participation corresponding to the period 2000. That year, we could do nothing because everything was to pay the debt and to cover the health basic insurance of 1999…It is not known where is that money…We have to pay that debt now"* (councillor 1). Two legal processes for mismanagement occurred in court against the mayor of ADN, but only the last one succeeded because of an illegal and excessive delay in a governmental regional office (*Contraloría*). The suspicious delay in Sucre surpassed the limit of time established by law, and at the end, the councillors who initiated the last process paid themselves the economic costs of the failed trial.

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[150] The MBL gained four of the five councillor seats in the municipal elections of 1995 and three of the five in the elections of 1998.

Political influences also interfere with the relations between the municipality and the prefecture. For example, the president of the municipal council said: *"We encountered problems with the prefecture because the MG is not from the ADN party and they did not support us…Now with the change of government and the MNR in power, the prefect has committed his help and is willing to work with us."*[151] The favours and gestures of the prefecture toward the municipalities mainly manifested in the "borrowing" of heavy machinery or in the support of technical personnel. Some projects in the prefecture are more institutionalised and require application to all municipalities, but even then, some delays based on preferences were denounced. Regional political struggles also influence local political arrangements. In Padilla and Tomina, more diverse in political party preferences than Sopachuy and Alcalá, councillors expressed that very often departmental political agrements are reflected in the nomination of mayors and provincial councillors.

The municipal authorities in the four municipalities resist attempts from the regional and national parties to control local decisions. Councillors manifested their will to fight for a political-party decentralisation and a wider local autonomy as the following comment shows: *"Only once they (people from the political party) called me to tell me whom I had to support in the election of the provincial councillor. I did not agree because I knew the person and I told them that. Now they respect our decisions. They have been also here to make us to reflect telling that small actions can change the image of the MG"* (councillor 1). Councillors and mayors therefore resist political centralisation by making local agreements and denying impositions.

The last two years witnessed a new emerging political force in the area: the Movement Towards Socialism (MAS) that gained a silent but important pool of votes in the last national elections. MAS originated in the coca-growing areas of Bolivia but it spread into rural areas dominated by Quechua and Aymara people and gained sympathy by its open and strong criticism of social exclusion over ethnicity and poverty conditions. A peasant woman explained the success of MAS in Sopachuy during the last national elections (1992) in the following terms: *"MAS did not do any propaganda…They only gave some bags to keep coca but not the coca itself. I think people voted for MAS because U.S.A. (its ambassador in Bolivia) said that we should not vote for Evo Morales (MAS leader). Then people in the rural areas were capricious to make MAS winning. They voted for MAS as vengeance for the gringos."* Besides the influence of the MAS, the preferences for the MBL declined during the last few years because of the decrease in the popularity of NGOs, the association of the MBL with the MNR during its last governmental period, and the emergence of populist parties with a more radical discourse all along the country.

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[151] The prefect of MNR was born in Padilla and committed his support to all rural municipalities, but did not last even a year in his post.

The peasant union leaders and the councillors representing MBL in Sopachuy consider that the peasant union is more relevant for the indigenous-peasants than the sympathies toward MBL or MAS. This reveals the strength and discipline imposed by the unions as well as the strong identification of indigenous populations as peasants above political lines. *"I think at the end is the same (MAS and MBL) and that is the peasant union. I think that because we are far away from the urban centres they (peasants) keep just one line...MNR and MIR are only strong in town"* (mayor of Sopachuy). *"We talked to people from MAS in some meetings, but above all we all go for the union organisation."* (councillor 2). The rhetoric of the peasant councillors as well as the union leaders coincide with the one of the officers of the NGO ACLO: "*Our option has always been 'Peasants to the power' (campesinos al poder) and it always will be like that. If the MBL supported a peasant who wanted to be mayor, we also supported it. Now, it will be probably the MAS because the MBL losts its space and representativity...We want the peasants in power* " (regional manager of ACLO). These prophetical words foretold the outcome of the last municipal elections of December, 2004, in which the MAS won first place in Tomina and second in Sopachuy, Alcalá, and Padilla.

5.5 The Law of Popular Participation and the Quechua population

Approximately 90 percent of the TBOs in the low differentiated municipalities correspond to rural communities. More than 65 percent of them comprise of Quechua communities and the other 27 percent by communities mixed with Quechua and white-mestizo (estimation based on PDMs). Alcalá is the only municipality comprised mostly of people of white origin. Immersed in Quechua culture, most of its inhabitants speak Quechua as a second language and participate in the same agricultural activities as the rest of the Quechua population.

The Quechuas still keep pre-Hispanic forms of organisation such as the *ayni* and *mink'a*, systems of reciprocity among community members during sowing and harvesting seasons. The reciprocity extends to social organisation based on rights and responsibilities. As a full member of the community, the *runa* or man who owns land within the limits of the community and who is married may enjoy the rights of usufruct over communal land and other communal properties, participate in the communal decisions, and propose his demands to the authorities. A man's obligations in the community consist of attending communal assemblies, assuming public responsibilities as leaders (in a rotation system), and contributing with labour and economic resources to the functioning of the community and to the public good.

Between 1953 and 1960, all communities established their peasant unions as the highest authority for the solution of conflicts - mainly those related to land tenure and use, education, and others. A general secretary and the secretaries organised by themes (e.g. education, agriculture) organise the structure of the unions. The posts rotate among the full communal members. Women commonly are appointed as secretary of *Vinculación Femenina* (Femenine Links) and more recently as secretaries of education and acts.

With the passing of the LPP, indigenous communities were recognized as TBOs without affecting their unions (normally, the executive secretary of the peasant union commenced their positions at the same time as the representative of the TBO). Throughout the three annual meetings called by the local government for the TBO representatives, the participation of Quechua peasants after the LPP expanded. In communal meetings lead by the representative of the TBO, the community identifies each year two demands towards the municipal annual plan. Once the MG prepares a proposal based on all TBO demands, the representatives, accompanied by a female representative or other leader, assist the annual meetings called by the municipal government and vigilance committee. There, they receive information about health, education, and economic projects carried out in the municipality. Contrary to the annual meetings in Monteagudo, peasant union leaders in Sopachuy show a proactive participation. I witnessed a series of events in which health and education officers needed to either provide very detailed explanations to satisfy the assembly or commit to solving the source of grievance (e.g. sanctions to teachers who incurred irregularities). Importantly, in spite of the use of technical terms, municipal government members make an effort to hold the meetings in Quechua nonetheless because of the demands of peasants who highly value authorities who know the people and speak their language. As one peasant observes, "*I had very hard time in the meetings, specially in the communities because I did not speak Quechua, but now I am learning little by little*" (councillor 2).

Conflictive encounters between peasants and municipal government technicians occur more frequently than those between councillors and peasants. Technicians complain about the frequent changes of TBO leaders and their vertical approach toward the participation of the communities: "*Here it counts a lot the change of communal leaders. They do not have continuity. First one comes and says 'We want a micro-*

irrigation system' and then comes the other and wants a school…The community then is relegated because they are very closed in their uses and ways of expression…Only now they are improving" (municipal officer). Another officer also noticed that leaders sometimes change their demands in the middle of the meetings, thus making it challenging for municipal planners to deal with changes during the yearly period because of planning methods. Even they complain of the lack of strategic vision in the communities, which instead of asking for a common public work that benefit more communities, ask only for small public works in their own communities. Because of the alliance between the municipal government (mayor and councillors) and the peasant unions, very often the technicians must submit their planning to either real needs or sometimes capricious changes.

The favouritism of NGOs, international communities, and governmental agencies toward peasant leaders regarding information and training continues to expand the breach between peasant leaders and their basis. For example, leaders interviewed showed their agreement with the current MG and justified the partial fulfillment of projects on the lack of economic resources rather than on the faults of the MG: *"We as leaders understand that is not easy to attract and carry out projects…but in the communities there is not this understanding and we receive complains…The process is long. It is not possible to do one project every year in each community…Starting from the studies and investments is a long process...The community does not understand. That is why we coordinate our labour with the MG and some NGOs"* (peasant provincial union leader). Many of them highlight that the lack of information among the "basis" explains their dissatisfaction with the results of the LPP. But the "basis" evidently demonstrate disappointment in the MG's performance, arguing that their demands go unfulfilled or delayed, and only the MG decides which projects to execute: *"Comunarios want serious commitment: when the works will start, when they will finish, and what is going to be done concretely"* (councilor 3).

All these changes take place facing the increasing discontent of residents in town, who show much less enthusiasm with the results of the LPP, showing less initiative and interests than rural communities. They complain that the MG spends more resources and efforts in the rural areas. One urban dweller says: *"We (in town) are against the building of schools in the rural areas that cost between 20 to 30 thousand dollar. We know that it is possible to learn the same in a school with sets of mud or wood than in a school with cemented floor and painted walls...In any case, investment should go to the productive sector…We voted against those projects (schools) but it was 5 neighbourhoods against 23 communities."* Most of them oppose the influence of political parties, not only because they feel unrepresented by the dominant peasant party, but also because of the cases of corruption among political parties: *"It is said that the former mayor was* *bought to change his political party's loyalty for a thousand dollars. That is enough in a small place like Sopachuy. In Padilla, maybe is 3 thousands. In Sucre, with 10 thousands…That is why we do not want political parties. We want to be independent"* (urban dweller in Sopachuy). They also resent the majority presence of peasants in the MG, showing more sympathy for the current MG than for the former ones because it includes many professionals from Sucre. *"I do not resent peasants in the countryside, but they have to understand that where it is money, it has to be also capable people to distribute it…Professionals will always perform better than those who are not"* (urban dweller 2 in Sopachuy).

5.6 The Vigilance Committee (VC) as an instrument of power

The vigilance commitee enjoys a wide legitimacy in Sopachuy as representative of the TBOs and controller of the local distribution of resources. In Sopachuy, each of the two cantons elects a committee which, at the end, elects the vigilance committee of the municipality.[152]

TBO leaders in Sopachuy evaluate the performance of VC members only with a "regular" because the latter lacks the real capacity to pressure the MG to execute TBO demands (workshop, May 13th, 2003). This lack of capacity relates not only to lack of political influence and dependency on resources given by the MG (a general handicap of VCs) but with lack of peasants' training in completing projects as well as the common political party sympathy. Since the first years of the LPP, indigenous-peasants were part of the VC, first holding seats as presidents and in the last two periods as vice-presidents. Because of their lack of training on administrative issues, the MG supported them in their control role: "*The president of the VC did not know how to read and write properly, but he was the leader. We supported him checking all his economic reports because we give them the money and they have to give then their report"* (mayor of Sopachuy). Interviewees expressed that only since a teacher took over the presidency, the CV acquired more dynamism in the following-up of public works.[153] The last two presidents of the VCs complained that the main problem in exerting control is that the MG fails to provide its reports on time, and the VC must insist on providing them many times; however, they did not suspect any mismanagement in this issue, only lack of coordination.

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[152] In other municipalities, each canton elects a representative who automatically joins the municipal VC.

[153] The current president of the VC is an urban dweller who was a truck driver and now turned to small agrobusinesses. He was mayor in two opportunities before the LPP. His wife was mayor once, being one of the two women mayors ever in Sopachuy.

Therefore, the main means of control over the MG in Sopachuy remains the massive peasant union meetings. Besides the three municipal annual meetings of evaluation, indigenous-peasants in Sopachuy gather every year in "ordinary" and "extraordinary" peasant congresses with massive attendance from men and women. None of the participants maintain enough financial support to attend these meetings, but they attend the meetings which last for two or more days by subsisting on coca and bananas. Only some of them know people in town who give them food and shelter. In these meetings, it is very rare to observe the presence of international cooperation or NGOs representatives; if they want to participate, they must ask for permission to talk in front of all the concurrence (for example, I had to address a massive peasant union concurrence in order to explain the study project and ask for their approval to interview communal leaders during a two day peasant congress). Order and discipline preside over the congress atmosphere, although sometimes long and erratic discourses take place. Members of the "union police," selected before every event starts, keep people quiet and awake by poking them with soft sticks. During these peasant congresses, in spite of the municipal evaluation meetings, health, education, and municipal officers inform the attendees over particular issues.

5.7 The re-configuration of power relations

Before the LPP, a small number of white-mestizo urban and rural landowners comprised the local powerful group in the town of Sopachuy. Although impoverished by the effects of the agrarian reform, they kept their control over the issues in town along with their status over Quechua indigenous populations. With this position, they negotiated and channelled resources from governmental regional and national offices. Neighbours of Sopachuy remember how before the LPP, the municipal offices only devoted their time to promoting public works in town. With these resources, the mayor and the civic committees attracted the good will of the prefect, the president of CORDECH and the municipal officers of Sucre itself. The president of the civic committee who served as mayor twice before the LPP passed remembers: *"The civic committee used to call everybody in town and it was also participation of the peasant unions. There, people used to give three names giving a priority of preference: 1, 2, and 3. Then we sent the list to Sucre and it was the mayor of Sucre who returned the list oftenly approving the election of the first candidate."*

5.7.1 The local adaptation of the popular participation law

The Quechua peasants recognize the LPP as an historical event comparable only with the Agrarian Reform Law of 1953 (interviews and workshops). They say that benefits in health, education, and participation are seen on this scale for the first time in history. Although disenchanted for their increasing poverty and reduction of agricultural production, they consider that the process initiated by the LPP is irreversible and has brought positive changes. This section describes the changes in the realm of political representation and participation in decision-making.

After the LPP peasant unions who were linked to the political parties expanded their alliance towards the introduction of municipal candidates, peasant leaders became main actors in the decision-making over who would occupy the municipal council and therefore the mayor's office. Some candidates emerged from the community itself since some leaders in the higher echelons (in the peasants' regional sub-central and centrals) considered it more strategic to keep their positions as regional leaders. In this way, provincial union leaders who were part of the established rural groups of power before the LPP gave space to communal union leaders in the new arena of the municipal government (see the case of two Quechua councillors in Sopachuy and three in Tomina, table 5.2). This gives indigenous-peasants a sense of belonging to the municipality and clarity over their rights: *"We as civil society have the right to administer because the mayor and some councillors are our employees. We are from the agro, but the municipality is ours...before the power was in town... Now we have peasant leaders as councillors and even in some municipalities as mayors...We do not want to be humiliated anymore...We want to be councillors and mayors and administrate the MG as peasants"* (peasant leader).

Padilla exemplifies a case between high and low differentiated municipalities. In spite of the strong presence of peasant unions, they have not been able to obtain positions in the MG like other municipalities. White people in town dominate the MG, where more non peasant oriented political parties reside. As observed in the field, three main reasons account for this: first, NGOs provide a weaker support to peasant unions in Padilla in comparison to the other municipalities; second, its central position along the roads in relation to Sucre, Santa Cruz, and Monteagudo allow more influence from the cities; third, historically Padilla has been a main city with health and education services more sophisticated than the rest of the municipalities, and therefore many white-mestizo remained in the area.

In Alcalá, the majority of the population is of white origin but at the same time working in agriculture; even the small percentage of people living in town (12 percent) perform their activities in town as much as in rural properties. That explains why no signs of ethnic or rural-urban animosity at the interior of the municipality exist. An MG officer explained that lack of documentation (military service cards) prevented elected councillors from exerting their positions, but neither the elected councillors nor the substitutes showed interest in solving the situation. The lack of interest in the public affairs in Alcalá very much owe to the low flow of resources towards the MG and its minor capacity to raise taxes.

In Sopachuy and Tomina, the presence of peasant union leaders linked to the MG as an emerging group of power is evident. As councillors, they are now in a privileged position to receive training, information, and a permanent salary. Some of the indigenous-peasant councillors get elected more than once because of their experience. As TBO leaders, they access information and training with more preference than the rest of the population. In these two municipalities, the introduction of peasants as candidates in the local governments exacerbated the urban-rural contradictions, as evident by the preference of rural people for indigenous-peasant authorities, while people from urban areas prefer professionals who commonly originate from white-mestizo backgrounds: *"I wish councillors were not political partisans, but they should enter (the municipal council) based on an examination or at least they should be professionals to have better results"* (urban dweller 2 in Sopachuy).

Like in high differentiated municipalities (chapter 4), the passing of the LPP meant a new relevant role for professionals in the low differentiated municipalities. Before, professionals represented only part of NGOs' personnel, and consisted mainly of agricultural technicians and engineers whose presence was not permanent. Now, economists, architects, accountants, and others reside permanently in town. The municipal planners occupy a remarkable position, placed between the political interests of the MG, the demands of the TBOs, and the technical and bureaucratic procedures. In Sopachuy, the municipal planner from Sucre, owing to an examination of his merits, concentrates his knowledge and ability to adapt and elaborate municipal plans according to different demands. Both politicians and peasants highly appreciate his ability. His success in balancing political and technical demands resulted in the mayor of Sopachuy appointing him as a mayor officer, a political post of trust that he performs parallel to planning activities.

Both peasant leaders and municipal planners must balance their positions with their different social backgrounds - a typical way of life for local brokers (see Bierschenk et al, 2002). Peasant leaders, as mentioned before, integrate more than their followers into the bureaucratic universe of rules established by the decentralisation policies. The municipal planners mediate between the political and developmental demands emerging from the MG members, NGOs, and international cooperation and those of the TBOs. Room for manoeuvring, though, varies between both peasant leaders and municipal planners. Peasant leaders enjoy the support of their progeny and influence them easily, but cannot afford to lose their position due to their alliances with the muncipal government, and more specifically, with the political parties represented. So far, many survive because of their identification with the peasantry and their close links with the NGOs, rather than to the political parties. As for the planners, they enjoy little room for manouvring and sometimes they are "caught" in their position. Very often though, due to their urban and professional inclination, they intentionally orient the execution of projects towards their own interests, such as sports fields or urban improvements.

Mainly attributable to the imposition of the law to include at least 30 percent of female candidates in the political party lists, women now emerge as leaders in the MGs. Although strong and capable women occupy many posts in the MG, their presence owes to the regulatory imposition. People living in rural areas hold more conservative family and communal views, including women themselves. Only those who overcome family and social pressure and especially their own fears emerge as leaders. Nevertheless, the LPP favours womens' participation as public figures and representatives at the local level, challenging traditional roles of representation.

5.7.2 The balance of power after nine years of decentralisation

As derived from the description above, one may affirm that the power structure changed in Sopachuy, Tomina, and Padilla for the benefit of the Quechua population in the particular arena of political representation and power. In Alcalá, the white-mestizo peasants have equally benefited. Recalling the analysis of section 5.3 about the social, political, and economic power groups in the municipality of Sopachuy before the LPP, one change and one prevalent characteristic are noticeable. The change takes place through the absolute superiority of Quechua peasants in the political arena, its origin tracing back to the national revolution of 1952 and the following agrarian reform of 1953, which encouraged a class-consciousness among indigenous peasants that continues to be vibrant. After the LPP, political power not only remained in the possession of the peasants, but the power of their leaders increased through their introduction into the political system of representation.

Table 5.4: Non-governmental organisations in the low differentiated municipalities

Name	Working area	Municipalities
ACLO	Agriculture and education, municipal management, organisation.	Sopachuy, Alcalá
ATAR	Gender, agricultural production and markets, natural resources.	Padilla
ATICA	Agriculture, commercialisation, and natural resources	Sopachuy, Alcalá
PLAFOR	Reforestation and training	Sopachuy
COSV	Institutional strengthening, training, huertos and organisation	Sopachuy, Alcalá, Tomina
CARITAS	Industrialization of wheat, basic sanitation	Sopachuy, Alcalá, Padilla
PROAGRO	Rural electricity and agriculture	Sopachuy, Tomina
UNICEF	Health and education	Sopachuy
PRODECO	Health and organisation	Alcalá
CARE	Food security, productive training, and improvement of households	Alcalá, Padilla
SNV	Improvement of frijol seeds	Alcalá
CEDEC	Alphabetisation and seeds production	Tomina, Padilla
Plan Internacional	Infrastructure	Tomina
OCASI	--	Tomina
CICDA	Agriculture	Tomina
CIES	Sexual and reproductive health	Padilla
Pastoral de la Tierra	Legal supervision on land tenure	Sopachuy, Padilla, Alcalá, Tomina
Fundación TIERRA	Land tenure issues, organisation	Sopachuy
FADES	Credit	Sopachuy
PROINPA	Agriculture	Sopachuy
Fundación Treveris	Alphabetisation of women	Sopachuy, Padilla, Alcalá, Tomina

Source: Fieldwork, 2003.

NGOs worked decisively "to empower indigenous communities to be active participants in society" (ACLO).[154] Through radio programs, newspaper, and training workshops, ACLO complemented its work on rural development (irrigation, market production, and others) by providing information and awareness about peasants' rights. The political commitment of its members, as well as other NGO members, tied indigenous communities with the national life while respecting their original traditions. As table 5.4 shows, most of the NGOs directly support communities, especially in agricultural related activities, but also in peasants' organisational-political agenda. Therefore, in addition to strong peasant cohesion, the alliance between peasants, NGOs and political parties made possible the strengthening of peasants' communities and to take over political power.

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[154] The ACLO or "*Acción Cultural Loyola*" is a Catholic church affiliated with NGO which has been present in Sopachuy for more than a decade

As for the prevalent characteristic within the local power structure after the LPP, the social group in power, the white-mestizo, still enjoy social supremacy although they were displaced from their dominant position in public affairs. The social subordination of Quechua still persists in everyday relations with the white-mestizo. The latter often take some Quechua children under their patronage, or even take adult people into "compadrazgo" (godfather) relations in which the indigenous perform free menial tasks for the *compadres*. White-mestizo call indigenous Quechua "hijo" (son) and informal "you" while the Quechua refer to the former as "Don" in the formal "you." It is noticeable, however, that the more empowered Quechua, such as the members of the MG or peasant unions, keep more horizontal relations with the white-mestizo.

The perpetuation of paternalistic relations and patronage depends on the prevalence of unequal social status. Throughout the history of Bolivia and Latin America, the lower social status of the indigenous people contributed to the survival of illegal if not legal ways of exploitation and oppression. The local adaptation of the decentralisation process in Sopachuy shows that political gains do not automatically result in more open and egualitarian relations. Therefore, the political achievements are not irreversible considering the increasing value given to bureaucratic and technical knowledge, and in this case, professionals from Sucre or other cities. The discrepancy between peasants' power and demands for high levels of education creates a dilemma that overcomes the limits of the decentralisation process attributable to historical reasons of consistent and prevailing discrimination in the national education system over the indigenous population. More than that, it originates from the dismissing of indigenous values and knowledge in the education system.

As in the case of the high differentiated municipalities, the church, international community, and NGOs dismissing the issue of power in development goals, exacerbate the disempowerment and instrumentalisation of peasants. This happens through the execution of their projects and their paternalist relations toward the peasants. As for their projects, "*The idea is to help municipalities to improve their management and administrative capacities, followed by a good social control…*" (international community office member in Sopachuy). This means that municipal authorities, officers, and peasant leaders receive privileged training in detriment to wider access to information, which therefore hinders their capacity for organisation and collective action. A member of the international cooperation even critiziced the "*ideological load*" of some NGOs and argued, instead, for a "*good image that gives more opportunities for attracting funds.*" As for their paternalistic relations, evidently, the white-mestizo or less indigenous members of the church, NGO, and international community often taint their relations with peasants with paternalistic attitudes.[155] These often border with patron-client relations between officers and peasant communites where the first convince the latter of the benefits of their projects and the latter assume subordinate position to attract the offered projects.

5.8 Summary of the chapter

As a way to summarize the chapter, I highlight the following five points. First, the National Revolution of 1952 and the subseconsequent Agrarian Reform Law of 1953 changed drastically the socio-political structures in the area by dismantling the hacienda system dominated by white-mestizo, distributing land among peasants, and promoting the formation of strong peasant unions. People in town and former big landowners who remained in smaller properties kept their social privileges as well as political representation in town. Nevertheless, the basis for strong peasant organisations based on cohesive class identification was settled.

Secondly, after the LPP passed, the alliances between peasant unions, NGOs, and political parties allowed the expansion of political representation and power from the rural areas towards the municipality as a whole. As a result, they introduced a peasant mayor and several male and female indigenous Quechua councillors in Sopachuy. In Tomina and Padilla, peasants also took position as councillors, but shared spaces with some white-mestizo and *Colla* merchants. In Alcalá, the white-mestizo peasants were favoured as much as the Quechua peasants in terms of local representation.

Third, Sopachuy and Tomina, the most Quechua dominated municipalities with 84 percent of their population, show an emergence of community leaders who benefit by training and access to information. Because of their juxtaposition between two different cultural backgrounds, oftenly peasant leaders as well as municipal planners actively act as developmental brokers, while in other occasions they are caught in their intermediate position as passive conduits for the application of the norms.

Fourth, urban people still dominate the MG in Padilla in spite of its large proportion of Quechua population (55 percent). This may be due to the lack of peasant-organised labour by NGOs, its central location in the main road between Sucre and Monteagudo, and the historical importance of the town that provides important health, education, and basic services. Alcalá, a municipality of white majority population with poor road conditions, and which receives the least amount of resources for co-participation presents almost no struggles for power at the MG level.[156] NGOs and political parties are present only occasionally.

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[155] Regarding this matter, PADER-Sopachuy (1999) already reported that NGOs underestimate the capacity of mayors with indigenous origin and the municipal government as a whole.

Fifth, the political gains of the indigenous peasant population are at risk because of two factors. One is their prevalent lower social status due mainly to their lower education, low access to health and sanitation services, and different social organisation in addition to their inferior positions in relation to the white-mestizo as a result of still-prevalent colonial prejudices. The second factor is the increasing relevance of professionalism in the application of the LPP that mandates the hiring of foreign urban-oriented technicians who may or may not share the same political commitment towards the indigenous people shown until now by some NGO and political party members.

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[156] A fieldwork visit to Alcalá found only two municipal officers in the MG, one of them watching TV.

CHAPTER 6: A COMPARATIVE ANALYSIS OF CHANGES IN POWER RELATIONS BETWEEN HIGH AND LOW DIFFERENTIATED MUNICIPALITIES

This chapter aims to compare the changes of local power relations after the decentralisation interventions in the high and low socio-politically differentiated municipalities described in chapters 4 and 5. The chapter forms seven parts. The first part compares the local power structures of the two municipalities where in-depth research was conducted. The following three parts respond to the research questions by comparing how power relations reflect in positions of representation, the influence over decisions that affect all populations, and capacity of control. Specifically, part two deals with the dimension of representation, part three with the peoples' capacity to influence local planning and execution, and part four with their ability to control the MG's actions. Part five extends the analysis from the in-depth case studies to the other six municipalities considered in the study - three representing high differentiated municipalities and three representing low ones. Part six responds to the last research question by discussing the main threats to the decentralisation process on achieving their main objectives. The last part summarises the chapter.

6.1 Local power structures

As noted in chapter 1, the social stratification of a society can be most straightforwardly defined as its internal division into a hierarchy of distinct social groups, each having specific life chances and a distinctive lifestyle (Scott, 1996: 1). Members of the same social group, then, perform similar capacities to exert power and influence over their own and others peoples' lives. Interventions such as decentralisation take place in on-going and pre-existing social formations; local actors take opportunities and face constraints according to their current position. Throughout this study, I argue that power structures determine to a great extent the outcomes of development interventions and policies. This part of the chapter, then, compares the power structures of the two in-depth study cases, Monteagudo and Sopachuy. I describe specific analyses for each case in the last sections of chapters 4 and 5.

As identified in this study, three main relevant differences exist between power structures in Monteagudo and Sopachuy. First of all, it is relevant to distinguish the composition of the powerful factions. In Monteagudo, two kinds of powerful groups are present: the socio-political and the economic. Meanwhile, in Sopachuy, there are three differentiated powerful factions: the social, the political, and the economic. In Monteagudo, the white-mestizo population dominate the social and political power. Some white mestizo and *Colla* immigrants, however, share the economic power. In Sopachuy, on the other hand, members of the white-mestizo, indigenous Quechua, and *Colla* immigrant groups comprise different elite factions. The white-mestizo hold the highest social status, Quechua leaders dominate the political arena, and few families of white-mestizo and *Colla* immigrant origins comprise the economically powerful group. Mainly, merchants and transporters comprise the economic group of power in both municipalities. To great extent, they prosper because of their patronage over the peasants with fewer possibilities for mobility and obtaining information. Until now, their economic power was not reflected in political power, but this may change as they organise around the political party MAS, especially in Monteagudo, where its stronger supporters include *Colla* entrepreneurs.

Second, for the majority of the population in Monteagudo, the white-mestizo maintain clear and uncontested supremacy over the *Colla* colonisers and Guaraní. This supremacy goes back to the colonisation period when Spanish descendants entered the region by means of military intervention, agricultural colonisation, and Christianisation by the church. Since then, the dispersed native population (the indigenous Guaraní) were subdued to the lowest social, economic, and political stratus. The *Collas*, who came mainly in two different major migratory flows in the 1950s and 1970s, occupy a medium social stratum, although some of them deviate from this stratum economically. In Sopachuy, on the contrary, the native population (the indigenous Quechua) contested successfully the political and economic power of the white-mestizo, which resulted in the national revolution of 1952 and the agrarian reform of 1953. Since then, indigenous peasants reproduced their strong socio-cultural cohesion within the peasant unions and gained political predominance, although only in the rural spheres and disconnected from government positions. As a result, a remarkable difference now appears between native Quechua from the low differentiated municipalities and native Guaraní from the high differentiated municipalities in their levels of autonomy and organisation.[157]

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[157] For example, in order to address a Quechua meeting, one has to ask permission to the main leaders and almost no foreigners are to be seen. Meanwhile, Guaraní meetings are dominated, and very often led, by members of NGOs and international cooperation.

Third, as a result of the Popular Participation Law (LPP), the power structures were modified in Sopachuy, but not so much in Monteagudo. Indigenous Quechua in Sopachuy took over political power all across the urban-rural municipality. As the following sections show, this not only reflects in the presence of indigenous councillors, but it also reflects especially in the indigenous Quechuas' ability to control and influence bureaucratic and political matters. In Monteagudo, a wider base of participation resulted from the application of the LPP, but mainly among the same dominant group: the white-mestizo. Increased political competition and challenges from new social actors (i.e. professionals and women) to traditional caciques are noticeable but Guaraní and Collas remain marginalised from social and political positions of power.

These differences in power structures in great extent respond to pre-existing power relations conditioned by different historical events such as colonisation processes, the impact of the agrarian reform, and the decline of agricultural markets (described in detail in chapters 4 and 5). As a summary, it is relevant here to remark the following: Spanish colonization in the valleys of Chuquisaca took place mainly through the church and the *encomiendas*. The Quechua population concentrated in that area worked for the mining industry and later on for the haciendas. Their social organisation and cultural traditions were disrupted but never disappeared.[158] On the contrary, the Guaraní population was either absorbed by the haciendas or pushed to marginal and less-fertile land. An important number of Guaraní migrated to other countries. Although the Chaco war between Bolivia and Paraguay (1932-1935) ushered national social consciousness, the Collas in the highlands initiated a series of revolts which culminated in the national revolution of 1952. By taking land from the big hacendados and organising under peasant unions, the Quechua indigenous people wrested political power from the white-mestizo, at least in the rural areas. Meanwhile, white-mestizo carried out a successful counter-reform in the Chaco area by means of political violence, clientelism, and cooptation of official and grass-roots spaces of representation (see Healy, 1982). The dispersion of the population and lack of indigenous organisation from both *Colla* and Guaraní origin favoured this outcome.

The implementation of development projects through regional corporations and cooperatives during the 1950s and 1960s also allowed the white-mestizo to consolidate their supremacy in the Chaco. Although new technology and credit was introduced universally for local producers, in reality, the better-informed and well-politically and socially connected people took greater advantage. The development projects were applied vertically and therefore technicians, bureaucrats, and leaders of producer associations gained relevance as mediators or development brokers. The most skillful emerged as local caciques, always performing as part of the directive boards in projects, cooperatives, and also the civic committee. More social distance was created then between the group comprised by local urban caciques and hacendados and the majority of the population. In Sopachuy, the impact of the corporation was poor mainly because the economic importance of the region did not warrant major attention. Sopachuy, as other areas of Chuquisaca, was peripheral to the centres of power and negotiation in Sucre and Monteagudo.

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[158] Spanish colonisers even instrumentalized some of the Quechua organisational traditions, such as the *mita* (work for turns), for their own purposes.

Even before the recovery of democracy in 1982, urban and rural populations in Monteagudo divided into several political factions as a result of the national and regional political party influence in assigning use of local resources and their influence in civil society organisations.[159] Governmental projects, civic committees, and peasant unions were and still are inserted in the clientelist network of the major political parties. Meanwhile, particularly during the 1980s, NGO members worked closely with the indigenous peasants in both development projects and organisations in the valleys of Chuquisaca, particularly in the Tomina province. The identification of many of them with one particular political party (the MBL) gained the adherence of most peasant unions, sub-centrals, and centrals around it.

With the implementation of the Popular Participation Law in 1994, in Monteagudo, local caciques supported by their pre-existing social and political networks took over positions in the municipal council and vigilance committees. Other white-mestizo professionals known as the "new generation" emerged and contested the corrupt ways of the "old generation" and advocated instead for more transparent and efficient policies. Struggles among white-mestizo from the "old" and "new" generation and from different political adscriptions happen frequently, but they never involve the inclusion of *Collas* and Guaraní in their exclusive positions of "representation." The *Colla* population won one of the seven seats in the council in the last municipal elections of December, 2004. Still, the election results show a highly-factionalised scenary dominated by white-mestizo non-representative of at least 20 percent of the Collas and 6 percent of the Guaraní.[160]

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[159] Even during the military regimes, political parties such as the MNR (*Movimiento Nacionalista Revolucionario*), FSB (*Falange Socialista Boliviana*), and the PC (*Partido Comunista*) had sympathisers and activists in the area.

In Sopachuy, the pre-existing conditions of the LPP described above favoured the introduction of indigenous peasant candidates representing the MBL. As a result, MBL representatives displaced the white-mestizo who dominated municipal posts in the main village as the majority. Only in the last municipal elections, the MAS seriously challenged the hegemony of the MBL (32. 14 percent and 32. 84 percent of votes). Considering that peasant unions and NGO members alike perceive both MBL and MAS as aligned with their interests,[161] this result may signify a peasant coalition. This additionally implied the elimination of the ADN, MNR, and MIR, a minority represented in the two previous municipal periods.

The following sections of this chapter explore how these differences of power configuration influence the outcomes of the decentralisation policies in spaces of representation, development planning, and control.

6.2 Political representation

I consider political representation in this study as one of the three dimensions of power within the decentralisation process where social structures are expressed (see section 1.2). This section thus responds to the research question of how the dynamics of representation changed in the two in-depth case studies after the Law of Popular Participation passed.

As mentioned earlier, before the LPP took effect, civic committees were responsible for calling local elections. Election meetings were carried out in the urban village without any significant rural representation (sometimes, members of the peasant federation participated). Three candidates were selected among the notable people in town and assigned to a regional authority, normally the mayor in Sucre. The regional authorities selected the mayor, usually ratifying the first proposed candidate in the list. In Monteagudo, the most popular and wealthy people in town were selected commonly from white-mestizo involved in regional civic movements and associated with political parties, particularly the MNR. In Sopachuy, candidates were also among the prestigious individuals in town, but agreements between local people and regional authorities constituted a formality rather than a political pact.

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[160] Although the last national census of 2001 revealed that Quechua and Aymara people make up only 19 percent of the population of Monteagudo, fieldwork made evident that many Colla descendants avoid such identification because it implies a lower status. Additionally, the term "chaqueño" resonates more among the youngest as an identity based on being born in the Chaco provinces yet undoubtedly related to the white-mestizo rather than to the *Collas*.

[161] Peasant representatives and NGO members in Sucre expressed that they do not favour particular political parties except those who represent the interests of the peasants. Specifically, they mentioned both MBL and MAS.

The mayor and urban dwellers raised funds to implement some services or infrastructure in town (i.e. improvement of streets, electricity). Funds were limited and public works took place only in the urban areas. The Law of Municipalities of 1987 did not specify the limits of MG actions, but urban and rural populations alike took for granted that the MG belonged to the town and acted accordingly.

Many changes occurred with the passing of the LPP, (see chapter 3). Among them was the increased importance of the MG members as legitimate local representatives mainly due to the following reasons: First of all, municipal elections based on political party representation were established throughout the country. Second, rural and urban areas were explicitly included as part of the municipality, and therefore, rural populations acquired the right and obligation to vote.

6.2.1 The new local representatives

In Monteagudo, since the establishment of the LPP, the former powerful group comprised by hacendados, ex-hacendados, and caciques is now challenged by a group of individuals who are emerging as political representatives, professionals, and technocrats of the decentralisation interventions. As described in chapter 4, political parties spot professionals, teachers, and technicians who are "invited" to represent them in local elections. Those living in this municipality appreciate professionals highly because of their former experience with the Regional Corporation of Chuquisaca and their white-mestizo origin. As one interviewee said: "*All political parties want to look good.*" Therefore, the established traditional leaders of political parties and the new potential candidates negotiate local positions, but from different perspectives. The former have the power of their political connections to powerful regional and national politicians; they influence decisions over local candidates and evaluate their performance vis-à-vis political party interests. The second group, or "new generation", are professionals more concerned with efficiency and efficacy on local development projects.

Political parties approach mainly those professionals who enjoy public recognition because of their former public labour.[162] A considerable 75 percent of the MG members are professionals - an unlikely percentage in predominantly rural municipalities. Regional political leaders capitalise on the vertical composition of the social structure by looking for candidates of "good ascendance and respectable" or white-mestizo origin professionals.[163]

Table 6.1: Number of councillors according to political party represented, elections 1999

Municipality	MNR	ADN	MIR	MBL	UCS	Others
Monteagudo	2	2	2	-	1	-
Muyupampa	2	1	2	-	-	-
Huacareta	1	2	2	-	-	-
Macharetí	1	3	1	-	-	-
Sopachuy	-	1	1	3		-
Padilla	2	1	2	-	-	-
Tomina	1	1	1	2	-	-
Alcalá	-	-	2	3	-	-
Total	9	11	12	8	1	-

Source: Fieldwork, 2003.

The so-called traditional parties MNR and ADN won the 1995 and 1999 municipal elections, in Monteagudo (see table 1.6 in chapter 1). The same political parties were in power in the national government at that time. Two reasons explain this trend: first of all, people prefer to vote for the party in power knowing that the municipality will benefit. Second, political campaigns are more effective for political parties in power because, as reported, they use governmental resources (i.e. cars, office material, cash) to reach the whole municipality, sometimes even distributing money. Nevertheless, the candidate of ADN for the period 1999 – 2004 was never inaugurated as mayor because an alliance between MIR and MNR determined an agreement by which the former one governed for the first two years, while the latter governed for the last two.

In Sopachuy, before the LPP, ex-hacendados along with their descendants in town held posts of political representation and administrative functions in the city hall, judicial, educational, and health offices. With the LPP, peasants took over political power in both rural and urban areas. *"(With the LPP), we as civil society have the right to administrate (the projects in the communities) because the mayor and some of*

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[162] Most of the councillors were well known before becoming part of the MG. One occupied several public posts during the last 3 decades; another worked as a journalist for national networks; a third directed an environmentalist NGO; another is a doctor in a public hospital and owns a hotel; two others work as teachers which occupied an education unit direction.

[163] Men of white-mestizo origin compose most of the first candidates in the political parties' list. Only one woman was postulated as first in the list, while the remaining three were postulated as substitutes.

the councillors are our employees. We are from the agricultural sector, but the city hall is ours." (executive of the Unique Central of Peasant Workers of the Tomina province). Peasant leaders represent an important part of the politically powerful group through the LPP, because contrary to what happened when they were only peasant union leaders, they now may have privileged access to information and training. As mentioned in chapter 4, NGOs, international cooperation agencies, and the government itself favour councillors, TBO leaders, and VC members with access of information about legal, political, and administrative issues. Some peasant leaders emphasised that *"The grass-roots do not understand (how the law works)."* Evidently, the privileged training of peasant leaders compared to most of the population creates distances between them. Platteau (2004: 228) already described this effect as counterproductive for groups acting toward self-improvement: "The more training and resources they (communal leaders) are given, the more distance is created between leaders and members. The shortcut of trying to mobilize rural people from outside through leaders, rather than taking the time to gain direct understanding and support from members, is likely to be unproductive or even counterproductive."

The MBL won both municipal elections as in most municipalities of central Chuquisaca. The MBL, a centre-left wing party, enjoys immense popularity among peasants because of its work with NGOs in productive promotion. All mayors in Sopachuy since the LPP passed represent the MBL.[164] The MBL supported the presence of peasant candidates after the LPP passed, resulting in the election of one peasant as mayor in 1995 (see section 5.4.1). This experience was not successful since many criticisms arose within MBL members and outsiders alike due to the lack of preparation of bureaucratic procedures and the planning of the peasant mayor. Worse than that, after the MBL asked him to step down in favour of another candidate, he made an agreement with another MBL councillor and both turned their loyalties toward the ADN.[165]

In spite of these disappointments, the alliance between peasants and the MBL continued, but they acknowledged, *"It is not enough to ensure peasant representation to perform good local governance"* (MBL leader). In the following elections of 1999, MBL peasant candidates were elected again as councillors, but the only professional from the MBL was appointed as mayor.

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[164] Nevertheless, two out of four mayors changed their political affiliation by being in functions and moved to the right wing party National Democratic Action. "Vengeance" explained this drastic change against MBL because of internal quarrels, but MBL insists that bribes were involved.

[165] The peasant councillor denies bribery and justified his behaviour in the following terms: *"As a peasant, I did not know much. I was always a peasant union leader but I accepted to be the mayor…but the party (MBL) did not support me…I went with ADN out of vengeance…because I worked very hard for the MBL."* As for the new ADN mayor and former MBL member, he served a very irregular and corrupt period.

As for the other minority political parties present (ADN and MIR), they tend to introduce as candidates urban inhabitants with a medium-level education (technicians). As a result, there is currently one professional in the MG (the mayor for MBL), three councillors with technical education (1 ADN, 1 MIR, and 1 MBL) and two with basic education (the two peasant leaders from MBL).

6.2.2 Characteristics of good candidates

As table 6.2 shows, the strategies followed by political parties in choosing candidates correspond to what people expect from their leaders. In Monteagudo, TBO representatives declared that they prefer honest candidates with good character from the region. Professionalism is also an important preference, and urban representatives value it more than rural ones. As mentioned before, regional party leaders desire professional candidates from the region.

In Sopachuy, the fact that TBO representatives prefer leaders who know local people corresponds with their preference for peasant union leaders. Keeping close and equal relations with the local people matter for TBO representatives as they confirmed in the interviews. TBO rural representatives stated that when municipal leaders act impatiently with them or behave as patrons, they prefer not to approach the municipal government.

Table 6.2: Characteristics appreciated in a candidate by TBO leaders

Characteristic	Monteagudo (%)	Sopachuy (%)
Honesty	24.27	12.41
From the region	18.51	10.34
Good character	12.34	15.86
He/she knows the people	9.87	19.32
Intelligent	8.23	13.79
Commitment	6.58	11.03
Professional	10.69	8.96
Affiliation to political party	2.46	2.75
Others	6.99	5.51

Source: Fieldwork, workshops of May 10th and 13th 2003.

In both municipalities, the political party affiliation of the candidates places last as an appreciated characteristic. In the words of Kurian (1999: 44), "(Peoples' preference of personal characteristics rather than political party affiliation) suggests the existence of political parties with weak ideologies and commitment…a weak political/ideological framework prompts people to look up to a candidate with a relatively sound ethical conduct and behaviour; they are, in this context, replaced by social capital such as good persons and efficiency criteria." But this acquires two different meanings in the municipalities where the research was conducted. In Monteagudo, most people know little about the candidates and have few chances to meet them - one reason why they end up voting for the political parties. In Sopachuy, they know the candidates better, but mainly their discipline and subordination to the unions lead them to vote for one political party.[166]

6.2.3 Womens' representation

Women represent the minority in both traditional and newly created organisations: municipal governments, peasant unions, neighbourhoods, *capitanías*, vigilance commitees, civic committees, and producers' associations. Several causes may explain the low participation levels among women as representatives: traditional gender roles, social control, lack of incentives, self-confidence, and preparation. While most male representatives, especially those higher in the political hierarchy, experienced many positions in the public offices before, women assumed their posts without equal experience or training and thus feel a sense of insecurity. Additionally, women do not share the same social habits as their male counterparts, such as enjoying late-night drinks while discussing candadicies.

The two female councillors in Sopachuy were elected in meetings that they were not attending; instead, their husbands influenced their acceptance as candidates. In Monteagudo, most of them were included as substitutes in the candidacy lists, and as one of them said, they never thought that they would occupy their posts.

No woman in the studied municipalities serves as mayor. Women make up 40 percent of the councillors in the eight municipalities (see table 6.3) and only 30 percent of women make the list of first candidates while the remaining 70 percent are substitutes. The stories of women in the MGs reveal that most of them fought harder for their positions in their homes, in the communities, and in the council. Most of them found obstacles in their family environment rather than in the political one. Although they claim that their husbands support them, the amount of work required to take care of their house and their children made it difficult to perform their political responsibilities.

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[166] As mentioned in chapter 4, peasants in Sopachuy respond to loyalties as a class rather than to political parties. This explains the increasing importance of the political party MAS and the decrease in MBL popularity between 1995 and 1999 after this party made an alliance with the MNR.

As in the case of their male colleagues, female councillors in Monteagudo are mostly professionals from urban origin, while in Sopachuy, one of the two women is a peasant and the other has a technical education. Unlike in Monteagudo, in Sopachuy, women active in their peasant unions are encouraged to seek candidacy although mainly only to reach the 30 percent quota for females on the lists established by law.

Table 6.3: Number of women in the municipal governments

Municipality	Mayor	Councillors	
		Total	Women
Monteagudo	0	7	4
Sopachuy	0	5	2
Huacareta	0	5	2
Villa Vaca Guzmán (Muyupampa)	0	5	1
Machareti	0	5	2
Padilla	0	5	2
Alcalá*	0	3	2
Tomina	0	5	2

* Only 3 of 5 councillors were habilitated at the time of the fieldwork.

Source: Fieldwork, 2003

The first results of the municipal elections of December, 2004 show a step back for female representation, as only 14.28 percent of the new councillors in the eight municipalities are women (contrary to the 40.47 percent in office now). No female representation exists in Monteagudo, and in Sopachuy, there only one female presides. It is expected that, like in the former municipal periods, this relation will change in favour of women as elected councillors might suffer disqualification and give place for their female substitutes.

6.2.4 Conclusions of the section

Two important points appear in this section about the dynamics of political representation in Monteagudo and Sopachuy after the LPP. First, in Sopachuy, political representation in the MG empowered most of the Quechua population after the LPP passed. Even when a professional of white-mestizo urban origin represents them as a mayor, the political commitment of the dominant political party and NGO members in alliance with peasant unions keep political control in the hands of the latter. Peasant leaders and MBL members participate in the selection of candidates who enjoy massive support during elections thanks to the strong cohesion and discipline of the peasant unions. In Monteagudo, on the contrary, urban white-mestizo professionals dominate the municipal government. Because most of them descend from hacendados or ex-hacendados, it is possible to affirm that the same non-indigenous group is transforming itself to accommodate the new scenarios brought about by the decentralisation policies. As a group favoured by privileged access to information and education and as members of pre-established social and political regional and national networks, it was easier for them to dismiss Colla and Guaraní representation. They initiated a dynamic of political faction struggles over the municipal council and the vigilance committees. Although the Guaraní and *Colla* communities in Monteagudo gained power in terms of local representation and control, this was not traduced in increased power in terms of political representation. On the contrary, the status of *Colla* immigrants and Guaraní people in becoming MG members remains the same. Until now, neither *Collas* nor white-mestizos have formed alliances around any particular political party. In other words, class identities do not correspond to any specific political party preference. In this way, it was easier for the established groups of power to engage in the electoral process and gain representation in the urban as well as in the rural areas through their connections to traditional political parties. This may change, since one of the three (non traditional) political parties that entered the local scenary last December (the MAS) clearly agglutinates *Colla* peasants' and entrepreneurs' preferences. Nevertheless, it remains unknown, whether the diverging interests of these two groups of actors will clash or will converge in a common political agenda, as interviews in the field suggested a discriminative attitude from the entrepreneurs toward the peasants.

Second, the increasing demands on administrative management and handling of a set of laws and norms change the requirements of candidacy for mayors and councillors. During the first years of the LPP, ethnic origin was valued more than education as part of the political empowerment brought from the LPP to the indigenous population. Now, the main means of acquiring powerful positions is privileged education and information. As Ayo (1999: 92) points out: "As we go up from the municipal to the departmental level, the particular sociologic composition of the elites institutionalised by the LPP show a slow but evident dynamic of de-indigenisation and masculine orientation, highlighting more 'sociological demands' to have access to the most influential and high spheres of political responsibility." Even locally, most people, including women among the less educated, evaluate professional candidates. Questionnaires and interviews revealed that more people in Monteagudo than in Sopachuy find professionalism as an appealing characteristic for their leaders because of the complexity of managing leadership positions and the bureaucracy involved in a large municipality like Monteagudo. Most reasons, nevertheless, lay in the historical domination (social and political) of the white-mestizo and the subordination of Guaraní and Quechua immigrants. Cooperation agencies, NGOs, and the government itself reinforce this domination by channelling training and information to MG members and officers and not to the majority of the population. Although major actors in democratising the process, political parties ensure their votes by choosing elegible and "respectable" candidates rather than promoting grass-roots representation. The commitment of NGOs and political parties play a key role in the difference of representation between Monteagudo and Sopachuy. In the former, lack of commitment and the uncontested white-mestizo domination led to a decentralisation adopted as a technical process (as a means to achieve a goal) while in Sopachuy, decentralisation took the form of a political goal in itself.

6.3 Influence over local decisions and the participative planning process

As one of the promises of decentralisation, people gain influence over decisions related to their own possibilities of development. This section deals with the third research question by assessing the extent of peoples' influence over local decisions and the planning process.

The participative planning norm remains the most relevant guide for the participation of people on municipal issues. The participatory planning involves six major steps: preparation and organisation of the process; elaboration of the diagnosis; formulation of the five-year term plan (PDM); programming of annual plans; execution and administration; and follow-up evaluation and adjustment (see annex 3.1 for a detailed description). The participation of local people mainly concentrates in the elaboration of the municipal diagnosis, programming of annual plans, and follow-up of projects (control). As section 6.4 explores the mechanisms of control, this section of the chapter focuses on participation, diagnosis, and more extensively, in the annual planning process.

6.3.1 Participation in the municipal diagnosis and formulation of the five-year plan

Five-year municipal plans (PDM) are elaborated in order to establish municipal diagnostic and strategic plans to address the most acute needs of the population grouped in urban and rural territorial based organisations (TBOs). The processes of diagnosis and identification of demands constitute the first instances of participation in the local planning. Although all municipalities follow a similar process, the involvement of people varies considerably according to the criteria established by the NGO or consultancy responsible and the municipal government in office.

According to municipal authorities and officers, as they increase their awareness of the participative planning norm, five-year plans in both Monteagudo and Sopachuy are now more solid and participant-oriented than in the past. Also in both municipalities and in spite of the relevance of the PDM, no TBO may access a copy unless explicitly required - an extremely unlikely case. This creates consequences in the following-up of projects and in the performance of the TBO leaders who commonly receive no written or oral report from the former leaders and as a consequence of this, they lack instruments of control. This occurred particularly in the case of Sopachuy, where migration is very common and therefore former leaders may be absent for long periods.

Two important differences are noticeable between Monteagudo and Sopachuy in regard to peoples' participation in the diagnosis and identification of demands for the five-year plans. First, the two PDMs in Sopachuy were elaborated in a more participative manner than the two PDMs in Monteagudo. A municipal officer in Monteagudo expressed that the PDMs lacked total participation because of the large number of TBOs, large distances to be covered, and also lack of communal organisation that resulted in consultants visiting only some communities. In Sopachuy, the elaboration of the PDMs by the established presence of the NGO ACLO determined a more participative and accurate diagnosis and identification of demands. Second, the five-year plans are more strictly followed in Monteagudo than in Sopachuy. Officers in Monteagudo tend to give priority to annual demands already inserted in the five-year plans, while in Sopachuy the decisions taken in the massive annual meetings lead the annual planning mainly because of the relevance of the peasant leaders: *"The annual plans respond to demands raised during our meetings. In most of the cases, these demands are not corresponding to the needs inserted in the five-year plan…Here the change of leaders is very relevant…The communities have closed ways of thinking and traditions…The leaders are very influential"* (municipal officer, Sopachuy). This difficults the labour of the MG officers because, as mentioned before, leaders change very often in Sopachuy as a result of their traditional rotation of communal leadership and also because they sometimes change their minds over former demands.

Considering the above description, peoples' participation in the elaboration of five-year municipal plans reaches a higher level in Sopachuy than in Monteagudo due to the influence of the NGO responsible for the elaboration of the PDM, which has long established local presence. It also seems relevant that the NGO responsible responds to the political preference dominant in the area (MBL); therefore, peasant union and communal leaders facilitated the full process. In Monteagudo, one NGO and one consultancy with only partial presence in the area were hired. They covered only part of the municipality, and according to the municipal planner, filled gaps of information using secondary data and their own criteria.

6.3.2 Participation in the formulation of the Annual Operative Plan (POA)

The elaboration of the annual plans follow five main steps every year: the gathering of TBO demands through surveys elaborated for that purpose; the elaboration of a draft plan by municipal officers; the general meeting in which the TBO representatives consider the draft; the changes according to the results of the general meeting; and the final revision and approval by the vigilance committee and municipal council.

Grass-roots participation takes place mainly in communal and neighbourhood meetings in order to complete the respective demand surveys. TBOs meet and give priority to two demands which ideally should have been included in the five-year plan. At the time when the gathering of demands was closing (November, 2002), all TBOs presented their demands in Sopachuy while 16 (out of 84) demands were still missing in Monteagudo. The geographical dispersion of TBOs in Monteagudo influences the coordination with the local government, but additionally, the lack of agreements reflects the weaker communal organisation and lack of cohesion expressed by some TBO leaders. In the same case of Monteagudo, some TBOs presented more than two demands as a strategy to get more attention and open more possibilities. This strategy creates few results because it constructs a barrier rather than a chance for the planning officer to select from the demands. On the contrary, many of the TBOs in Sopachuy presented only one demand as a way to exercise pressure and ensure its inclusion (the average number of demands per TBO for the POA 2003 in Monteagudo is 2.2 and 1.4 in Sopachuy).

Meetings called by the municipal government and vigilance committee for TBO leaders are more participative in Sopachuy than in Monteagudo in terms of attendance by both men and women, consultation, contestation, and influence over the plans (see chapters 4 and 5). Although TBO leaders in Monteagudo actively participate in the meetings (e.g. last year, two demands of "unknown" origin were removed from the POA by the pressure of the TBO representatives), interventions during general meetings appear mostly at random from individuals and lack the authority of interventions by TBO representatives in Sopachuy.

In Monteagudo, annual meetings take place only once every year. In Sopachuy, however, the *Evaluación de Avance* (progress evaluation meeting) takes place three times per year. Municipal officers and vigilance committee members in Monteagudo explained the reason behind this difference as a simple alternative choice of modality due to the high costs of transport and food for the participants. Evidently, TBO leaders in Monteagudo disincline to pay their own expenses to attend municipal meetings. Nevertheless, no one ever attempted to organise meetings where TBO leaders bear their own transport and accommodation costs like in Sopachuy..

Worth mentioning here is that in both municipalities, municipal government and NGO members and population alike use the term "participation" synonymously with attendance, communal work, and at best, introduction of demands. The influence of NGOs and the municipal government itself in defining "participation" as concerned with these three aspects appears in the rhetoric of most TBO leaders, particularly in Sopachuy.

Neighbourhood organisations are weaker than rural ones in both municipalities and therefore their participation is lower in terms of attendance in meetings and coordination with the MG and NGOs.[167] Additionally, several interviews suggest that the participation of neighbours has decreased since the LPP passed because people think that they do not need to volunteer anymore. Also, many neighbourhood meetings end up re-electing the same willing representatives, contrary to the rural organisations that rotate the representative post. This demonstrates how weak organisations as observed in some communites of Monteagudo are at a disadvantage in the terms established by the LPP. Here, some weakly organised communities used the possibility of receiving financing from the MG as an excuse to decline communal work. More organized TBOs typically receive benefits since they can reciprocate if not in materials or money, then in communal work. The MGs tend to favour such TBOs. That is in part also why LPP favours rural areas more than urban ones, since urban dwellers rarely perform communal work and instead contribute mainly through limited monetary resources.

As for differences in womens' participation, some aspects are worth highlighting. First of all, in both municipalities, attendance of women in communal and general meetings is lower than that of men, particularly in Monteagudo. Second, womens' participation concentrates in the communal and neighbourhood meetings rather than in municipal meetings. Third, womens' attendance in general meetings is considerably larger in Sopachuy than in Monteagudo. For example, only 4 out of 84 representatives attended the 2003 evaluation meeting in Monteagudo, while in Sopachuy male-female representation appeared almost equal. Larger travelling distances are one reason, as well as the more strict division of labour, which confines women strictly to the private sphere in the Chaco area (Avilés, 1997). A closer look though shows that the municipal government and vigilance committee co-found expenditures for general meetings and cut womens' attendance first in order to save resources, and neither the local government nor the TBO leaders support womens' participation.

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[167] Nijenhuis (2002: 101) reports similar findings and in addition confirms that in Sopachuy and Monteagudo, urban dwellers' attendance to meetings is very low and sporadic in contrast to peasant-indigenous communities who held frequent and massive meetings.

But in spite of the support for womens' attendance in Sopachuy, it is important to remark that male authority still subdues women. For instance, in the community, there is resistance to establish women-only organisations in favour of mixed ones in which case men always act as leaders. Structural factors such as lack of land ownership and traditional patterns of communal membership prevent them from equal rights to talk and exert influence. Other cultural factors such as the "permission" they need from their husbands prevents some of the most interested and talented women from fully participating in communal meetings and activities.

Due to the resistance exerted in the communities, some organisations opt for abandoning their promotion of womens' involvement. The NGOs tend to avoid specific work with women due to two reasons: first, lack of funds resulted in cuts in specific activities with women and their involvement in "mixed" projects. Second, NGOs necessarily relate mainly with men who act as the community authorities or leaders; thus NGOs prefer not to disrupt the communal hierarchies of representation.[168] Therefore, women with access to leadership must perform much better than men. This is not only true for womens' participation at the communal level, but also for their participation in their neighbourhoods and productive organisations.[169]

6.3.3 Differences of influence over the participatory planning process

At this point, it is worthwhile to focus the attention on the differences between Monteagudo and Sopachuy regarding the subjection of the municipal plans to influence after the presentation of demands and before their final approval by the municipal councils. Figure 6.1 shows the limits of TBOs' influence over the annual plan and the additional actors who influence it.

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[168] These observations confirm the reports of the UNISUR (2002) about less access to opportunities for women to technical assistance and training offered by NGOs in Chuquisaca.

[169] As one of the members of the National Camera of Peasant Economic Organisation (CIOEC) says: "There are brilliant women leaders that make it, and not for positive discrimination but for capacity…We have 30 percent women in the directory; we do not establish this, otherwise it is questioned a lot (by the members of the economic organisations)."

As observed in the field and confirmed by interviews, the inclusion and exclusion of projects is an arena of negotiation played by numerous actors. Local leaders, technicians, councillors, the mayor, sub-majors, vigilance committee members, and others influence the planning. In Monteagudo more than in Sopachuy, external actors intervene and influence the elaboration of the annual plan. Four points are worthnoticing. First of all, at grass-roots levels, other actors influence the phase of the elaboration of the draft besides the TBO members such as the peasant union leaders and *corregidores*.[170] In Sopachuy, the two peasant *sub-centralías* and the vigilance committee insert their demands in the POAs as if they were TBOs. This particularity takes place in the spirit of wide peasant participation and respect for their organisation, although the law does not contemplate it. In Monteagudo, some interviewees revealed that some TBO representatives, mainly those with more land within the community, influence the demands of their TBOs according to their own criteria or necessities. More abuses also occur in the communities where the patron rents land and peasants come from mixed origin (*Collas* and *Guaraní*). This corresponds to the vertical and authoritarian style of domination still practiced by some patrons over the local inhabitants.

Second, after TBOs present their demands, most of the influence over the POA is exerted outside the limits of communities and neighbourhoods. In both municipalities, external forces such as "priority menus" for projects set mainly by international communities and NGO programs strongly influence the POA. The planner of the municipal government in Monteagudo explained it on the following terms: *"We have to carry out necessarily some projects…For example, if there is a financier that offers as an alphabetisation project, even if it is not in the POA, we have to take the potential financer. We welcome it…Another example is that PASA (a European supporting program for food security) offered us to finance three bridges at once. If we do not accept it, then we lose it. We had to make every sacrifice to include these projects. Then we postpone the demands of some TBOs.*" Officers explain to TBO leaders that if they choose among the menu of offers, they will get them, but they will get nothing if they ask for other types of projects because there no matching fund exists for that. Importantly, in Sopachuy, NGOs work closely together with rural communities. Sometimes this leads to delays and less efficiency in the execution of projects, but most people participate in the process.[171] This results in the appropriation of the offers proposed by the NGOs by peasant communities prior to the NGOs' inclusion in the POA more rarely seen in Monteagudo.[172]

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[170] The corregidor is the highest authority at the cantonal level, nominated by the sub-prefect. His role may be defined as one between police and judge. His importance declines as more formal and organised institutions such as the municipal government itself increasingly take over local affairs.

Third, in Monteagudo, members of the civic committee, sub-prefecture, and political representatives take part in the same political and social network as some of the MG members. They influence the local planning based very often on their own preferences, as the following comment shows: *To the sub prefectures, there is no money except for the functioning…but you know that the peasants do not have any idea. They cultivate wrongly and get nothing…Then, I have the idea to support a project of supervised production for them"* (sub-prefect of Monteagudo). Another example is the case of the uninominal deputy in Monteagudo[173] who belongs to the mayor's political party. He frequently visits town, where his original residence is located. Although he plays no role in the municipal planning, people ask him to influence the members of the municipal government: He states, *"When I come to Monteagudo, I take care of the people…I receive their demands and then I channel them…It is a way to recover the confidence of the voters which was lost due to the previous misconducts of others"* (uninominal deputy). Although from humble origins, this deputy belongs to the white-mestizo professional group. His successful career in the civic committees and now in the political arena makes him an influential character over local issues. As mentioned in chapter 4, municipal councillors also favour their "own" projects partly due to their professional inclination. Although with a lower profile, departmental councillors and civic committee members in Monteagudo also exert similar pressure over the mayor and technicians. In Sopachuy, this kind of influence from departmental councillors, deputees, and sub-prefects went unreported. Although it is true that the small number of voters in Sopachuy make this municipality less attractive, the lack of basis for external influences to succeed preserves the municipal government's autonomy.

Fourth, the presidents of the municipal councils and the local planners also influence the planning in both municipalities. The presidents in the municipalities studied wield as much or more power than the mayor himself in proposing and defining projects and actions. As for the local planners, their strategic position between political decisions and the effective execution of technical plans puts them under pressures from particular interest groups but also gives them room to manoeuvre in decision-making processes. These actors emerged as a result of the application of the LPP but neither of them originates from indigenous background. Because of the bureaucratic and administrative requirements involved in their roles, both kind of actors in Monteagudo and Sopachuy belong to the group of white-mestizo professionals.

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[171] For example, some NGOs offer projects to specific producers due to their characteristics, and all the rest of the members complain because they also want to be included. Is common that once included, they quit the project because it does not respond to their interests. This takes more time but seems to satisfy and avoit conflicts among community members.

[172] Members of the Peace Corp in Monteagudo, for example, work close to rural communities, but cover only a small number.

[173] He is the uninominal deputy for the provinces of Siles, Calvo, and Azurduy (*circunscripción cinco*).

6.3.4 Different approaches: popular participation vs. strategic planning

As a result of the domination of professionals in Monteagudo and grass-roots-oriented planning in Sopachuy, both municipalities give different priority to the two axes of local planning: popular participation and strategic planning. In both municipalities, most TBO demands are short-term, dispersed, and lack a medium or long term vision.[174] Therefore, clashes often occur through criticisms and accusations of lack of understanding between municipal councillors and officers and members of the TBOs. In Monteagudo, these gaps of perception tend to result in the municipal authorities and officers prioritising efficiency over popular demands. As the municipal planner said: *"Unfortunately, some TBOs will never have what they want because they are disperse communities and the cost are too large, and they do not understand that only to benefit 12 families, we had a project that cost 100 thousand dollars. It was a dream…but they insist every year."* Therefore, efficiency and technical criteria very often displace peoples' demands, causing tensions among the actors involved.

In Sopachuy, as mentioned before, people elaborate more concerted POAs. Additionally, a higher percentage of execution of the POAs occurs in Sopachuy than in Monteagudo (Nijenhuis, 2002: 130). This does not mean that tensions are absent between municipal authorities and TBOs; many TBO leaders expressed discontent because some of their demands went unfulfilled, but there is more understanding. For example, in regard to their demands in 2002, 77 percent of TBO leaders in Monteagudo and 50 percent in Sopachuy said that they were not fulfilled. In Monteagudo, the leaders blamed it primarily on the lack of seriousness and efficiency of the authorities, while in Sopachuy, it was attributed to the lack of economic resources first and then to the indifference of authorities. These differences in perception appear even in the most favourable opinions that the TBO leaders in Sopachuy have of the authorities and representatives (see annex 6.2).

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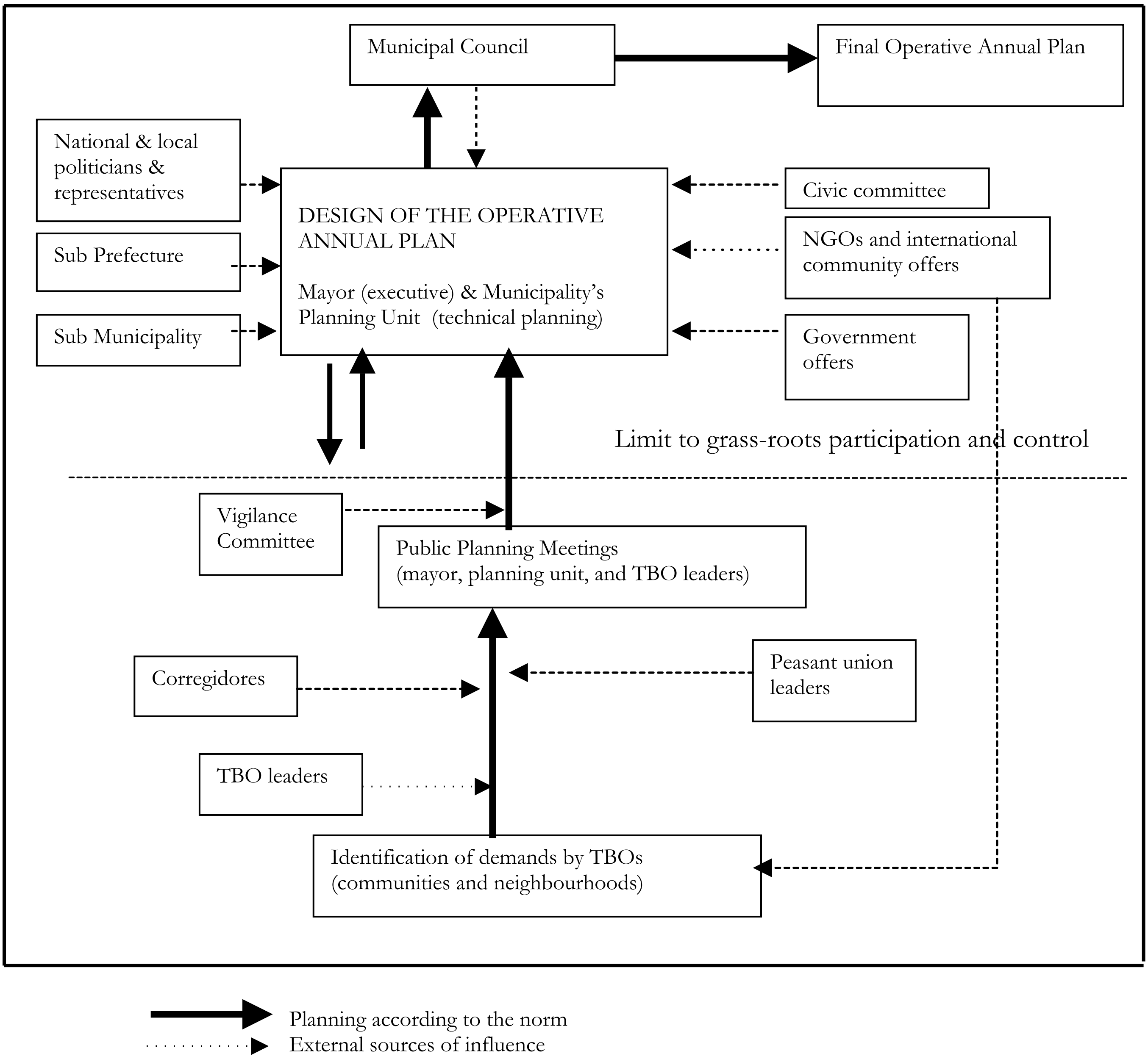
[174] This is because the needs for services are varied and urgent. The other reason is that most demands attempt to favour the community as a whole, such as schools, sports fields, or potable water. Few demands are proposed in order to generate income, such as mills for those who cultivate cereals or improved seeds for those who depend on agriculture. Other possibilities, such as the agreement between communities for common services (e.g. a common school) happen rarely. On the contrary, some TBO leaders suggest that there is competition among some communities that want more services or at least the same services as their neighbours. In this way, resources disperse and have little impact.

Figure 6.1: Actors and organisations which influence the design of the Municipal Operative Annual Plan (POA)


Municipal Council
Final Operative Annual Plan
National & local politicians & representatives
Sub Prefecture
Sub Municipality
DESIGN OF THE OPERATIVE ANNUAL PLAN
Mayor (executive) & Municipality's Planning Unit (technical planning)
Civic committee
NGOs and international community offers
Government offers
Limit to grass-roots participation and control
Vigilance Committee
Public Planning Meetings (mayor, planning unit, and TBO leaders)
Corregidores
Peasant union leaders
TBO leaders
Identification of demands by TBOs (communities and neighbourhoods)
Planning according to the norm
External sources of influence

Source: Fieldwork, 2003.

6.3.5 Conclusion of the section

To conclude this section, it is important to remark two differences in the ability of people in Monteagudo and in Sopachuy to influence local decisions, more explicitly the five-year and one-year municipal planning. First, more people participate in diagnosis and planning in Sopachuy because of a convergence in the interests of peasant unions, municipal governments, and local NGOs. This facilitates the organisation of massive meetings and better communication of information. Through identification with the same political party (primarily committed to the peasants), indigenous Quechua and white-mestizo formed an alliance. Although not free of differences, the main actors (municipal government members, peasants, and NGO officers) favour grass-roots participation and the inclusion of women. On the contrary, in Monteagudo, the municipal government dominated by white-mestizo professionals is concerned with efficiency and efficacy rather than with strengthening peoples' participation. This manifests in the fewer number of municipal meetings taking place there and with the almost non-existent mechanisms of consultation (except for the annual meeting and surveys of demands). In addition to the three yearly *Evaluación de Avance* meetings, in Sopachuy, NGO and peasant union meetings, workshops, and regular contact of leaders with the municipal government compose the mechanisms of consultatoin. In Monteagudo, the role of the NGOs is limited to projects of infrastructure and has no political relevance.[175] As for peasant unions, those in a better off position, particularly regarding land tenure, dominate them and therefore tend to defend their own interests (e.g. by pressuring demands that favour infrastructure in their own land or struggling in favour of their political parties rather than for the group). Similarly, womens' participation remains lower in Monteagudo, because of a lack of commitment from the municipal government, vigilance committee, and peasant union leaders alike.

Secondly, people in Monteagudo not only participate less than in Sopachuy in diagnosis and proposal of demands, but other actors influence their instruments of planning (five-year plan and one year plan) in the final stages. Favouritism, clientelism, and even patrimonialism occur as a response to political and social pressures from municipal government authorities. Regional representatives, some of them with only nominal power (but not economic such as the sub-prefect), suggest or introduce projects in the planning. Among them and even among municipal councillors, there is the perception that they know better than the TBOs what they really need. This corresponds to the perception shared by most white-mestizo in the municipality (see chapter 4) that *Guaraní* are not responsible enough for their own freedom of choice and that *Collas* do not care enough for the region.

6.4 Mechanisms of control

The third dimension of power relations considered in this study concerns the extent to which people exert control over the actions of the municipal authorities and officers. This section outlines the differences between the researched municipalities in terms of peoples' control over their representatives and the public works executed in their areas.

As observed in all studied municipalities, three mechanisms influence the exertion of political control: the vigilance committee (VC), TBOs' surveillance, and competition of political parties. Table 6.4 shows the differences in effectiveness of these mechanisms in Monteagudo and Sopachuy and was based on interviewees' reports about the ability of the actors involved (VC members, political party members, and TBO leaders) to access official documents and contest the planning and execution of public works.[176] In Monteagudo, the political party competition provides the main effective mechanism, while in Sopachuy, the vigilance committee and TBOs' surveillance work more effectively.

Table 6.4: Effectiveness in controlling the MG planning and execution of projects

Municipality	Vigilance commitee	TBOs	Political party competition
Monteagudo	Poor	Medium	Good
Sopachuy	Medium	Good	Poor

Source: Fieldwork, 2003

6.4.1. Control exerted by the vigilance committees

The vigilance committees (VC) in all studied municipalities work irregularly. Their main weaknesses are the regular change of members, the distance between the members' residence in the countryside and the town where the MG is located, lack of resources to control public works (transport), lack of preparation on technical issues, and in some cases, cooptation by political parties and internal struggles. Despite

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[175] The Council of Guaraní Captains, described in Chapter 4, was an important exception. The CCCH was moved to Muyupampa in the year 2001 due to political interests and clashes between different actors (Guaraní people, the Church, International Community and professional advisors).

[176] Field observations confirmed the views of the interviewees.

suffering from these problems, the vigilance committees of Monteagudo and Sopachuy enjoy public respect and legitimacy. Some differences, though, explain why the vigilance committee in Monteagudo is less effective than in Sopachuy. In Monteagudo, internal struggles and lack of coordination within the VC and between VC and MG are the main limitations for effective control. This leads to extreme situations in which, for example, the president of the VC only shortly evaluated the last POA (2004). Pressures of time and lack of coordination resulted in him approving the plan without further discussions or consultations with the other members of the VC. In Sopachuy, the VC complained about the delays in MG reports, but the constant flux of information through informal talks and visits to the communities keep them updated of the municipal works. Additionally, in Monteagudo, the VC rarely visits the field together with the municipal councillors or officers, while in Sopachuy that is a common practice. Here, the MG members perceive the role of the VC as more serious than those similar in Monteagudo. While the different size of both municipalities may explain part of this difference and thus implying more complex plans and bureaucracy in Monteagudo, an important part of the difference lies in the political will of the MG to include the VC as a relevant actor of the participatory planning and control process. As mentioned before, indigenous peasant leaders were part of all vigilance committees in Sopachuy and they themselves must give reports to their social basis. A denouncement coming from the VC in Sopachuy, therefore, carries more political consequences for the MG that from one correlative in Monteagudo.

6.4.2 Control exerted by territorial based organisations (TBOs)

I partly explained the difference in the capacity of control between TBOs in Monteagudo and Sopachuy in the section above. In summary, more frequent meetings happen in Sopachuy where greater support exists for womens' attendance in meetings, and where better communication of information occurs. These factors alone, though, fail to fully explain a better ability of control from TBOs in Sopachuy. Aditionally, it is remarkable than in Sopachuy, peasants participate actively and meetings last for days as many attendants may talk and individual interventions often last for several minutes. Oral communication in Quechua characterises peasant union meetings and the meetings called by municipal governments and vigilance committees. During the meetings, demands for equity in investments and effective results take precedence over technical information (this also explains why technicians experience difficulties in justifying the purposes of strategic planning and investments and very often relinquish to local demands). In Monteagudo, on the other hand, meetings follow a lecture style where public officers talk and representatives listen. The officers communicate information in technical language, yet they provide details such as the origin of their sources, the locations of public works, and percentages of execution. The distribution of budget reports and details occurs on a big screen which does not replace the lack of a global vision about the work of the MG. More so, many participants who lack reading and writing skills seldom express their concerns. In that way, control remains in the hands of those who understand the technical language and have a background in the norms established by the LPP, and therefore TBO leaders in Sopachuy ensure advantages (see table 6.5).

Table 6.5: Percentage of TBO leaders who participated at least once in informative events on relevant laws

LAW	Monteagudo	Sopachuy
Popular Participation	54.1	60.5
Administrative Decentralisation	16.0	28.0
National Dialogue	15.0	23.0

Source: Fieldwork. Workshops. May 10th and 13th, 2003.

If we consider information as a tool to exercise control, TBO representatives in Sopachuy are better off than their counterparts in Monteagudo.[177] Additionally, the table above reflects the political will from the government, and international cooperation decreased considerably once people widely accepted the LPP. People in both municipalities are losing influence because of their lack of information about the most relevant laws that deepen the decentralisation process.[178]

Worth mentioning is that in both Monteagudo and Sopachuy, most TBO leaders are very aware of their organisation's demands toward the annual planning, but an important 12 to 15 percent do not know them probably because of the high level of mobility of the communal leaders. Due to the lack of women attendants to the workshop in Monteagudo, it is not possible to make a comparison between the two municipalities. In Sopachuy, women know less about their communal demands than men (the percentages of women who ignore their community's demands surpasses 60 percent). Considering the high level of womens' attendance at communal and municipal meetings, it is only possible to attribute this data to the fact that during these meetings, they often prepare the food and also because they are less trained on the logic implied on the projects. In this regard, some men complain that women neither show interest nor actively participate, but women said that they receive no opportunities to overcome their lack of training and insecurity.

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[177] There is also a larger percentage of leaders in Sopachuy who know at least some of the councillors personally or by name (10 percent difference). The CV members are known by more of the 80 percent in both cases. In Sopachuy though, 20 percent less people than in Monteagudo know the name of the president of the country (72 percent against 94 percent).

[178] Workshops and seminars are the main mechanisms to spread laws and norms among the TBO leaders. TV, radio and other types of mechanisms do not take a role in informing people of the norms, although of some related events.

6.4.3 Control based on political party competition

Finally, a third mechanism of control identified is political party competition. This competition leads to representatives of different affiliations closely following each other's actions. This mechanism works in Monteagudo rather than in Sopachuy. In the latter, non-indigenous people who belong to ADN and MIR represent the minority in the opposition. Their criticisms direct toward the lack of experience of the indigenous representatives in the municipal council. Nevertheless, this criticism finds no support due to the political relevance of the indigenous presence.[179] In Monteagudo, on the other hand, the municipal council members belong to four different parties distributed almost evenly (MNR, MIR, and ADN with two councilors each and UCS with one). This allows continuous surveillance of each other's projects. Often, weekly municipal council meetings (including the mayor and the departmental councils) take time and require overseeing many details. Personal and political confrontations happen commonly, although short-term alliances also take place. Noticeably, criticisms over each other's performance occur not in public within the municipality, but follow political parties toward upper regional and national levels. For most of the population, and especially for outsiders, the councillors make an effort to show a cohesive and regionally-interested council.

6.4.4 Conclusions of the section

Grass-roots control through the vigilance committee and TBO leaders remains more effective in Sopachuy than in Monteagudo. This happens mainly because of the collective force of Quechua communities allied under cohesive peasant unions. The LPP allowed indigenous peasants to take over positions in the vigilance committee and to exert surveillance over their municipal authorities, and even other service providers in the health and education sectors and NGO members. Individual actions, however, are much more limited and socially controlled. The greater ability of the people to influence municipal authorities in Sopachuy, therefore, originates in the preexisting social and political forces reorganised under the new frame given by the decentralisation process. On the other hand, in Monteagudo, political party competition is the most effective mechanism of control, although mainly as a means to gain political supremacy or carry out councilors' own projects. There, the multiplicity of interests and identifications do not allow a leading force to control and demand performance from the MG.

6.5 The case of other municipalities

This section aims to compare the results of the two in-depth case studies with six other municipalities in Chuquisaca. The Chaco municipalities of Huacareta, Muyupampa, and Machareti developed similar socio-political structures as Monteagudo (see chapter 4). In the Chuquisaca valleys, Padilla, Tomina, and Alcalá followed similar historical patterns as Sopachuy, although in Alcalá, the white-mestizo dominate the ethnic composition (see chapter 5). As shown in chapter 1, the three first municipalities correspond with high differentiated municipalities and the latter correspond with the low differentiated municipalities.

6.5.1 The high differentiated municipalities

Huacareta, Muyupampa, and Machareti contain a greater Guaraní population and the total populations live in rural areas more than those living in Monteagudo. These areas are less accessible by roads and therefore services and markets are less developed. These conditions, when added to the social and political dominance of the white-mestizo population, determined that policy interventions such as the Agrarian Reform of 1953 were implemented with delay and co-opted by local powerful groups. As table 1.5 in chapter 1 shows, *latifundio* still persists in the form of large properties in the hands of individual owners as a result of the weak implementation of the agrarian reform law in these municipalities. Additionally, reports of Guaraní families still held as "captives" by their debts to patrons also refer to these municipalities.[180]

Guaraní people comprise more than one third of the indigenous population in Huacareta, Muyupampa, and Machareti (see table 1.2). Nevertheless, by 2003, only two out of the 13 municipal authorities (majors and councillors) were Guaraní. Municipal government and vigilance committee members are also predominantly white-mestizo landowners. Due to their social and political links prior to the LPP and their privileged access to information, it was easier for the white-mestizo to take over posts in the new municipal arena. Although most of them work in agriculture, they own radio-communication

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[179] Similarly, NGOs and governmental programs provide regular training to all municipal councillors.

systems and travel very often to the main cities. As the following Table 6.6 shows, even before taking their posts in the MG, they resided in town or kept residence in the town and countryside. Female councillors in the three municipalities also originate from white-mestizo origin and from the town (see table 4.3).

Current and former authorities share two characteristics with their counterparts in Monteagudo: they originate from the white-mestizo with at least a basic education and many of them occupied many public posts. For example, the major of Huacareta served in the same position two periods before the LPP and one of the councillors served as leader of the civic committee before the LPP and afterwards participated in the vigilance committee as sub-major. Many of them, men and women, were activists in their regional civic committees.

As for the case of Monteagudo, regionalism and discrimination against Guaraní and *Collas* (Quechua and Aymara) is evident among white-mestizo. *"The big owners have been humiliated and offended when it was said that Guaraní are slaves or captives...With the pretext to free them, now they (the Guarani) are suffering more, starting their lives again...What needs to be done is to support them so they find a path in the social life. Although they do not like to study, those who have studied have gone back again into their tribes...They do not want to improve their lives. They just earn for their daily alcohol intake"* (VC member of Huacareta).

Table 6.6: Residence of municipal councillors before taking their posts in the MG

Municipality	Number of councillors	Countryside	Town	With mixed residence
Monteagudo	7	0	6	1
Huacareta	5	1	2	2
Muyupampa	5	0	1	4
Machareti	5	0	3	2
Sopachuy	5	2	2	1
Padilla	5	0	3	2
Alcalá	3 *	1	2	0
Tomina	5	0	3	2

*Only 3 of 5 councillors were habilitated at the time of the fieldwork.
Source: Fieldwork, 2003.

The larger presence of Guaraní communities ensured that political parties take them into account, at least by introducing Guaraní candidacies. The emergence of Guaraní leaders started with the formation of the *Confederación Indígena del Oriente y Chaco Boliviano* (Indigenous Confederation of the

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[180] There is no official number of Guaraní families tied by debts to their patrons, but a calculation of the CCCH census of

Bolivian East and Chaco, CIDOB) and the *Asamblea de Pueblos Guaraníes* (Assembly of Guaraní People, APG) during the 1980s. By now, they constitute an elite inserted in the logic of the NGOs and international community. They oftenly act as developmental brokers through the channelling of external resources to specific communities. The Guaraní leaders were among the first indigenous people who decided to support and engage the process initiated by the LPP (Lema, 2001). For the first time in local history, the elections of 1999 sanctioned Guaraní authorities in Huacareta and Muyupampa. One in each municipality, they belong to the group of young Guaraní leaders educated by the church and NGOs.

As outlined in chapter 4, Guaraní people introduced candidates in alliance with the political party that offered the best position to the list of candidates (MIR). Although Guaraní communities sought to gain power in the political system as a group of people, the results in the municipal governments so far remain disappointing. First, the two Guaraní councillors declared that since the beginning, they needed to fight for their space since other councillors discriminate against them. Second, once performing as councillors, both Guaraní councillors interpreted their role as devoted to the whole municipality population and not exclusively to their own people: *"(As Guaraní), I had the opportunity to access to a public post, although when one has a public post he has to dedicate himself to everybody, not only to one group"* (Guarani councillor, Muyupampa). *"During the first months, I gained space doing some management that benefited the whole municipality…When I talk to the donors, they have to expand their area of action. It is not directly for the Guaraní. They have to extend support, for example, to the peasant communities that need it"* (Guaraní councillor, Huacareta). These testimonies represent the logical consequence of the opposition of some designers of the LPP to create indigenous municipalities. *"The republican fundamentalism of those in the ministry at that time did not accept because they said that in a homogeneous state, difference is not accepted"* (Javier Medina).[181] This also confirmed initial fears of political demobilisation and the warnings of some Guaraní captains who resisted any involvement in the political system of the *Karai*, and instead argued for the cohesion of the Guaraní as valid and non-mediated actors in their own right.

1998 estimated around 600 (inteview with ex-assesor of the Council of Guaraní Captains, CCCH).

[181] Interview March 27th, 2003.

As for the peasants, they form a mixture of old colonisers of white-mestizo origin and Quechua populations who arrived in two migratory flows at the end of the 1950s and during the 1970s (PDMs). The second and third generations of migrants recognize themselves as non-indigenous and only the most recent migrants keep Quechua as their first language. Some non-indigenous peasants inherited land from their white-mestizo ancestors, and therefore they enjoy greater privilege. All peasants from different origin and economic status organise themselves in *comunidades campesinas* (peasant communities) according to the national peasant union's structure (peasant union, sub-central, central, and federations). To great extent, the size of their land and their ethnic origin determines social prestige, which often translates into political power. Healy already described in 1982 how peasant leaders above the communal sphere (i.e. in the canton and province subcentral and central) acted as brokers between the small and medium landowner peasants and governmental instances (e.g. agrarian reform institutions, development corporations, and others) during military regimes. Evidence suggests that with the recovery of democracy in 1982, peasant leaders in the municipalities kept their role as brokers, but this time, they were influenced by the political parties that penetrated their structure. For example, the ADN, historically identified with the interests of the patrons and urban caciques, occupies privileged positions in local and national elections (see table 6.1). For a population whose majority lives in poverty, the ADN as a political option seem unlikely and may only be explained by the dominant lack of ideological commitment, political fragmentation, and clientelistic relations among peasants (see chapter 4).

In Muyupampa and Huacareta, several cases of abuse of power were reported during the first years of the decentralisation process. Those involved political violence, patrimonialism, and corruption.[182] The situation improved to the extent that more external mechanisms of accountability are in force and that the landowners themselves respond to different political parties (mainly MNR and ADN). Therefore, political competition plays an important role in controlling the process.

One may conclude that while urban caciques kept power after the LPP in Monteagudo, in the other three high differentiated municipalities, hacendados and some urban caciques took the positions of power. In Monteagudo and to a lesser extent in other municipalities, professionals represent the predominant emerging group of power. In the four municipalities, political patronage is very common in the haciendas over peons without land and Guaraní workers. Peasant leaders in the higher tiers of their organisations dominate the rural political sphere. Lack of ideological boundaries and commitment favour the penetration of political parties into the peasant organisations to the advantage of the dominants groups in the municipal governments.

6.5.2 The low differentiated municipalities

The Quechua population in Padilla and Tomina comprise the majority, although in less percentage than Sopachuy (table 1.2, chapter 1). Alcalá, in spite of its majority "non-indigenous" population, absorbed many Quechua cultural characteristic and share similar ecological and socio-economic conditions with Sopachuy, Padilla and Tomina. In the four municipalities, the agrarian reform (1953) took place with force, but now land problems are still the main concerns for the peasants because of two factors: *minifundio* and lack of documentation over their rights. However, the social and political force of the peasant unions adapted over traditional forms of organisations (ayllus, communities) after the national revolution (1952) remains strong.

In Alcalá and Tomina, like in Sopachuy, the political party MBL won the two municipal elections, while in Padilla MIR won also in both elections. In Alcalá, the small size of the municipality (meaning few resources for co-participation) and cohesion around one political party make this municipality the less conflictive in terms of political competition (the mayor and councillors who do not appear everyday in office, two municipal officers, and the driver are the only members of the municipal offices). In Tomina, peasant domination over local planning in the MG is strong since the National Revolution as well as the presence of NGOs empowered peasant unions. As a result, three former union peasant leaders occupy the posts of mayor and councillors. Padilla differs from the other municipalities because of its more urban location and its good connection to the cities of Sucre, Santa Cruz, and Monteagudo. Although the majority of its population is Quechua, the most spoken language is Spanish.[183] Only one Quechua peasant councillor works in the municipal government of Padilla. Two other councillors are professionals; one of rural origin and the other two are of urban origin. Another difference from other low differentiated municipalities is that the MG of Padilla comprises of 50 percent professionals; the

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[182] One famous case is the MNR mayor in Huacareta who burnt material and documentation before leaving office. The same mayor incited political violence, intimidation, and misuse of public resources. Judicial processes from this case still continue and the outcome remains uncertain.

[183] According to the last census of 2001, 55 percent of the population is Quechua and 43 percent is non-native, yet five times more people speak Spanish than Quechua.

political preference is more dispersed and the Quechua peasant unions lack the same political force as in Tomina and Sopachuy. The town, in contrast to Tomina, Sopachuy, and Alcalá, still belong to the white-mestizo.[184]

Padilla then demonstrates an intermediate case between low and high differentiated municipalities where white-mestizo populations took over power positions in the MG. But at the same time, the strong presence of Quechua populations (55 percent) is reflected in the presence of one peasant councillor and another one of rural origin. It seems that the weak presence of NGOs committed to peasant organisations in this municipality, when compared to Tomina and Sopachuy, influenced the lack of peasant presence in the MG. As in Monteagudo, professionals often take over positions of political power. Tomina and Sopachuy contain the most Quechua population among the low differentiated municipalities as well as more NGOs and strong peasant unions. Likewise, both municipalities show similar outcomes as a result of the application of the LPP: the presence of peasant councillors, the strong peasant influence over local planning and control, and the emergence of peasant union leaders as new political groups of power in the political system.

6.5.3 High and low differentiated municipalities

The cases of Huacareta, Muyupampa, and Machareti as high differentiated municipalities and Padilla, Tomina, and Alcalá as low differentiated show the same tendencies as the in-depth cases of Monteagudo and Sopachuy except for the case of Padilla. In the high differentiated municipalities, traditional groups of power took over positions in the municipal governments, although they adapted to the new scenario. In other words, the same group of white-mestizo who were linked to political parties and better educated with more experience on local projects (at least as civic committee activists) and also from urban or mixed residence easily adapted themselves to the LPP intervention and coped with public posts of representation and control. In Alcalá and Tomina, the rural population strongly emerged in the "urban" sphere taking over political control. Participation of most populations in terms of influence over local decisions improved more than in the high differentiated municipalities. The case of Padilla contains similarities to the one in Monteagudo because of two reasons: first of all, professionals are emerging as the group with political and social power and second, the paternalistic and patron-like relationship between the urban population towards the indigenous population continues.

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[184] The white-mestizo in town mainly operate their small businesses or work in the sub-prefecture or city hall. Since Padilla is located between Sucre and other important cities and municipalities, travellers are permanently present. Peasants come to town occasionally to sell their products or carry out some bureaucratic procedures.

The conclusions of Nijenhuis (2002: 116) in regard to other municipalities of Chuquisaca relate closely to the findings above. She mentions that in the municipalities of Presto, Sopachuy, and Poroma, direct participation has increased, "but in the municipalities of Huacareta and Monteagudo it is still the traditional elite that controls local government." Presto and Poroma, which remain outside the scope of my study, fall under the classification of "low differentiated municipalities" because of their Quechua socio-cultural domination (94.7 percent and 94.8 percent of Quechua population respectively). Although the political preference is disperse in these municipalities,[185] the process of agrarian reform took place with force there and peasant unions as well as some Ayllus enjoyed strong political and social leverage before the LPP passed. This opens room for futher discussion whether it is possible to establish a pattern or group of characteristics as a base to attempt a classification of Bolivian municipalities and relate them with the outcomes of development interventions, including democratic decentralisation.

6.6 Main threats to a participatory decentralisation process

This section aims to respond to the fourth and last research question by identifying the main threats to the democratising objectives of the decentralisation process in Bolivia. To better understand them, it is important to highlight first the main achievements of the implementation of the laws locally. Improvements in the areas of health and education, along with the reinforcement of citizen rights, what people from all social groups acknowledge as the direct impact of the LPP and LDA.[186]

In Monteagudo and Sopachuy, people attribute more than 50 percent of the new schools, health posts, and training in these areas to the MG and only some to the NGOs, communities, and prefecture. They also acknowledge improvements in roads as a concurrent effort between the GM and the communities. Table 6.7 shows slight differences in other investments. This information is based only on TBO leaders' recollection, rather than showing the quantity of public works executed per organisation it shows the acknowledgment of people regarding projects and responsible organisations per area. For example, it is interesting to notice that the prefecture goes almost unmentioned, although it assumes responsibility for the maintenance of main roads and to a great extent water and electricity. The MG was mentioned in over 40 percent of the number of investments, the NGOs more than 21 percent, and the prefecture only 5 percent in Monteagudo and 12 percent in Sopachuy. Unfortunately, it is not possible to compare these accounts with official data because the data exists only partially in some NGOs and MG reports.[187]

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[185] The MNR won the last municipal elections with 21.4 percent and 21.8 percent in Poroma and Presto, respectively. The MIR was second and ADN third in both municipalities. The MAS in Poroma (10 percent) and MBL in Presto (15.39 percent) took fourth places.

[186] This is particularly so in Sopachuy, where peasants see their situation much better in terms of citizen-ship. They can vote for local authorities now and have peasant representatives in the municipal government. They now feel more valuable: "*Before, we did not know even how to talk or think; with the LPP, now we are smarter…Now we can defend ourselves and nobody will look us from above*" said one Quechua peasant woman.

The results shown in Table 6.7 explain in great detail the high level of support for the decentralisation process, mainly for the LPP, among most of the population in all considered municipalities. In spite of this, some threats attempt not only to stop but also to reverse the achievements. As identified in the field, the most important of these threats are: undemocratic political practices, unfulfilled demands, and poverty.

Table 6.7: Recollection of TBO leaders on development projects executed in their respective communities after 1994

Theme	Monteagudo	Sopachuy
Training on production	NGOS, MG	NGOs, MG
Training on organisation	NGOs, MG	MG, NGOs
Gender equity	GM, NGOs, TBOs	GM, NGOs
Sports	TBOs	GM and TBOs
Water/electricity	NGOs, MG	Prefecture, MG, NGOs, TBOs
Productive infrastructure	NGOs, MG	MG, NGOs
Tourism	NGO (only one activity reported)	None

*Only the organisations most frequently mentioned per theme appear here.
Source: Workshops, May 10th and 13th, 2003.

6.6.1 Undemocratic practices of political parties

As discussed in chapters 4 and 5 and section 6.3 above, political parties play a key role in the successes and failures of the LPP and LDA. Although most political parties were already present at the regional level, mainly before national elections, the passing of the LPP and LDA and the recent figure of uninominal deputies encouraged them to organize a continued local presence. But in spite of many attempts to democratise internal practices in the political parties, clientelism, patronage, nepotism, patrimonialism, and corruption characterise their actions. As a result of popular claims, this year the amended Bolivian Political National Constitution included the possibility for citizen organisations to present candidates and compete in municipal and national elections alongside political parties. As mentioned earlier, the municipal elections of December 2004 marked the inclusion of two new political parties in the high differentiated municipalities (*Movimiento sin Miedo* and *Frente de Unidad Nacional*) and one citizen group in the low ones (*Movimiento Multicultural Productivo*). It remains unseen how these new organisations will challenge the political practices of the long-time present ADN, MNR, MIR, and UCS in the Chaco and the MBL in the valleys.

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[187] There is no evaluation on how contributions took place in communities before and after the LPP and there is a tendency to attribute public works to different organisations and periods of time. In addition, some NGOs that contributed to communal works are not present in the area and exclusive communal work is not registered.

Political parties influence the three dimensions of power relations: political representation, local planning, and control. Until now, they maintained exclusive control over political representation. By looking for candidates among already established social forces, such as hacendados in the high differentiated municipalities and peasant unions in the low ones, they reinforce established power structures. The highly centralised organisation of the political parties determine that by making alliances at the regional-national level, they create alliances in the municipalities sometimes with explicit directions to their local representatives. This often disrupts the mayor's governance and the establishment of new political alliances when national elections take place. This happens more frequent in municipalities where the votes are more dispersed.

The undemocratic practices of political parties also affect local planning, as in for instance, the chanelling of resources. By relating the political parties represented by mayors every year and by relating the share of investments in municipal expenditures of governmental sources (mainly from the prefecture) and national developmental funds,[188] it is possible to relate political party representation with a share of government funds in three municipalities (see table 6. 8).

Considering that the MNR was in power between 1993 and 1997 while the ADN (in alliance with MIR) maintained power from August 6th, 1998 until August 5th, 2002, it is possible to see first of all that Sopachuy received strong support from the government in the last year of the MNR government when MBL was its ally. Second, the mayors of Monteagudo and Huacareta represented the political party in the national government and received more support than Sopachuy. The change of mayor from ADN to MIR may explain the low share of governmental sources in the year 2000 in Monteagudo. In Huacareta and not in the other two municipalities, the year 2000 witnessed a dramatic increase in the share of the two national funds (from 28 to 59 percent), which explains why the share of governmental funds appear low.

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[188] The national funds, National Fund of Regional Development (FNDR), and Fund of Productive and Social Development (FPS) are also government organisations that channel resources towards the municipalities, although by means of credits and donations from the relief of the multilateral debt (Initiative of Highly Indebted Countries).

Table 6.8: Political parties in power and share of funds in municipal budgets, in percentage

Years	La Paz	Monteagudo			Huacareta			Sopachuy		
		Political party	Gov. funds	Dev. Funds	Political party	Gov. funds	Dev. Funds	Political party	Gov. funds	Dev. funds
1995	MNR	MNR	13	38	MNR	11	35	MNR	-	-
1996	MNR	MNR	7	43	MNR	7	5	MBL	4	10
1997	MNR	ADN	10	37	MNR	16	33	MBL	15	21
1998	MNR & ADN*	ADN	12	58	MNR (ADN)**	13	18	MBL (ADN)**	1	20
1999	ADN	MIR	6	34	ADN	12	28	MBL	9	17
2000	ADN	MIR	2	23	ADN	4	59	MBL	5	12

Source: Nijenhuis (2002: 96,191) and National Electoral Court (2004).
Government funds originate from government sources except co-participation and developmental funds resources which channel mainly from the prefecture. Developmental funds originate from the Fondo Nacional de Desarrollo Regional (FNDR) and Fondo de Inversión Productiva y Social (FPS).
* The shift of power from MNR to ADN took place on August 6th, 1998.
** The mayor turned his adscription from MBL to ADN in Sopachuy, and in Huacareta, a *voto censura* based on political agreements determined a change in Huacareta.

In both Monteagudo and Sopachuy, people condemn favouritism and clientelism apparent from the prefecture towards the municipalities of different political affiliation and from the MGs toward communities that did not vote for them. On one hand, the case of discrimination of the MG toward some communities is difficult to prove because of other factors involved in the decisions (i.e. technical feasibility). A rather even distribution according to the population and number of urban and rural TBOs appeared in both municipalities, with a slight bias favouring the rural areas in Sopachuy (see Nijenhuis, 2002: 132-193 for the period 1995-1999 and annex 6.1 for an estimation based on the municipal plans of 2001-2005). On the other hand, the case of clientelism and patrimonialism enacted by the prefecture was very clear as described in the paragraph above. The field questionnaire results showed the prefecture as the current institution responsible for technical development with less legitimacy and credibility. Because the prefecture is managed following political-party prebendal logic, it lacks political stability and continuity of policies and strategies.[189] Lambright (2003) among others already highlighted the importance of central-local relations in both political connections and coordination - both administrative and political - in the performance of local governments. Contrary to most decentralisation experiences in developing countries with the MG as the weakest institutions (De Wit, 2000: 12), the MGs of this study show more stability politically than the prefecture and even more than some national ministries.

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[189] For example, the director of one programme in the prefecture explained how a current high-level authority who lived abroad for many years was given an important post because of his economic contributions to the MIR party, but actually he

Political clientelism is also practiced in the municipal level, for example, by the assignment of public works to service providers. The implementation of the LPP brought about more demand for services in most of the municipalities, including building materials and labour force. The MG commonly make local and/or external invitations or public tendering depending on the amount of money involved. Although committees evaluate the possible contractors, political party or social network preferences easily influence these committees. The most common way of obtaining a contract is the "30 percent fee" that the contractor pays to the MG in order to obtain the contract. This practice reduces the amount of money invested by the contractor in the public work or service, thus reducing its quality as well. Although these situations were more frequently denounced in Monteagudo, currently it seems that the emergence of councillors with technical background rather than only political-party orientation along with (opposite) political party control lowered this practice.

Finally, as for political-party influences in local control, political cooptation in the high differentiated municipalities remains the most prevalent. Nevertheless, as mentioned before, the VC lacks real mechanisms of pressure against MG. The legal supervisor of the Commission of Popular Participation of the National Senate explained that in the last governmental period, no MG received punishment by freezing their expense accounts because the militants of the same political parties of those who accused the mayors of corruption stopped the denouncements. She said that in the eight months of the new period, seven accounts were frozen, yet there still remains too much political-party influence on the job of the commission.[190]

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totally ignored both Bolivian and regional reality. She also told the story of the ways in which she obtained resources for her unit by visiting several ministries and personal contacts in the city of La Paz.

[190] The Commission of Popular Participation of the Senate Camera takes responsibility for receiving mismanagement complaints sent first to the VC to the ministry of Hacienda and from there to the Camera.

6.6.2 Unfulfilled demands

As mentioned before, a high percentage of demands go unfulfilled - more in Monteagudo than in Sopachuy - mainly because of the following two reasons: not enough economic resources and unresponsive and technically unfeasible demands to criteria of strategic planning. This disheartens the people, who in spite of continuously attending meetings and presenting demands, increasingly feel cheated. *"Every year, they (the MG) ask us to present our demands, but at the end, they are the ones who decide…There is no point on presenting demands"* (TBO representative).

Lack of resources affects mainly the smallest municipalities which receive less amounts of the co-participation share. Additionally, in both municipalities, bureaucracy and lack of coherent policies at the national level result in a lack of funds at the local level. For instance, in all municipalities, public works were delayed because the national funds failed to disburse in time. Lack of funds to specifically address peoples' demands also originates from the channelling of resources to other projects or when municipalities drag high debts, especially in Monteagudo, where the annual plan is highly influenced and the debt compromises larger parts of the budget.[191]

The gap between strategic planning, technical unfeasibility, and fulfillment of demands appears wider in Monteagudo than in Sopachuy. In the latter, more grass-roots information and control as well as more attention to peoples' demands connect both sides of the participatory planning.

This lack of fulfilment of demands very often ends up in tensions between MGs and the communities involved. Curiously, some TBO members in Monteagudo blame unfulfilled demands on their own communal leaders because they do not pressure enough and so internal tensions in the community build as well. For all the reasons presented, it is clear that the gap between municipal planning and popular demands is widening, especially in Monteagudo, where strategic planning takes precedenc over popular demands and where there is high municipal debt and the POA is highly influenced by actors other than TBO members.

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[191] In Monteagudo, a municipal officer reported that 70 percent of the budget was already reserved for the years 2003 and 2004. The debt reaches 500 thousand Bs., a high level of debt in a municipality with a budget of only 6 million Bs. The scenario for 2004 was even worst because the period of grace for some debts already passed. The municipal officer remarked "It is a time-bomb, especially considering that the income for co-participation since 99 has decreased…The MG keeps on commit to projects it cannot respond… They make political propaganda out of this public works through these agreements, but they will not be able to cope with it…The expenditure in roads is too large; we should think of decentralise it. The situation is unsustainable and I am afraid of a collapse in short term."

6.6.3 Poverty and lack of income generating projects

A third threat to the legitimacy of the decentralisation process is poverty. Although the majority of TBO leaders in Monteagudo and Sopachuy acknowledge that the LPP brought about dramatic improvements, 58 percent and 26 percent of leaders consider that their living conditions worsened in the last ten years. The decline of the importance of CORDECH projects not replaced in the same extent by any other national or regional program reinforces the negative perception of peasant TBO leaders (see annex 6.3 for status of ex-CORDECH programs in Monteagudo). Poverty still pushes people to migrate to more prosperous areas, reducing the possibilities of poor municipalities to receive co-participation resources. More than that, poor municipalities attract few resources because they are less able to offer economic incentives and also less able to hire people with the ability to elaborate projects and respond to the high bureaucratic demands at central levels.[192]

During the workshops, TBO representatives attributed their poverty to the reduction of production and prices, and lack of markets. The exhaustion of land mainly accounts for the reduction of production, especially in the high valleys of the low differentiated municipalities, where excessive minifundio is common. Additionally, lack of security over land deepens the poverty situation of these peasants, the majority of whom hold no proper ownership certificates. Land tenure and the outcomes of the decentralisation process relate in two ways. First, when people have productive land, they stay in their municipalities where they produce and act on improving their social and economic environment. Second, the relevance of land security relates to the security of municipal investments: "*In the municipalities of El Villar, Tarabuco, and Sopachuy the MGs but also NGOs have invested in irrigation channels, small dams and others in communities without property documents and then the owner showed up protesting for those actions*" (director of Fundación TIERRA, Chuquisaca). Although once the process of *saneamiento* (definiton of rights over land) finishes, the MG will take responsibility for the administration of rural cadastre; however, both the local government and the saneamiento process have not been connected. Most people in both Monteagudo and Sopachuy consider that the MG should play an important role in the implementation of the agrarian reform law of 1996 (chapter 3) to overcome the centralised and non-participative process that now takes place.[193]

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[192] The following comment of the sector coordinator of rural development of the GTZ reflects this situation: "The MG have already the themes of environment, economy and others, plus it was in discussion the possibility to charge them all the responsibility on health and education. Some municipalities have only the mayor, a secretary, a technician, an accountable and that is it. There are municipalities like Machareti and Muyupampa that do not have more resources. They have to present a project on irrigation, other on roads, then a planning on territorial ordering. They have to do an urban cadastre…it is impossible…In La Paz, the reforms go to an incredible speed, as an air craft, but some municipalities advance as little

Smuggling and the free market mainly cause the reduction of prices and lack of markets. The representative of the CIOEC (Coordinator for the Integration of Peasant Economic Organisations)[194] explains: *"The priority of those who are in the higher levels (national government) is the commercial opening…The World Trade Organisation has being strengthening and Bolivia is giving strict fulfilment to its norms… The WTO is promoting free trade without boundaries…They say that all Trade International Agreements have priority over national laws."* As for the opening of national borders, she outlined: *"Peasants do not have markets because the imported or smuggled products have won the markets and if we want to win our markets again, we should watch our borders and protect our production, but that is not in the logic of the current market…Bolivia applies 10 percent of tariffs for every thing and with the ALCA (Acuerdo de Libro Comercio de las Américas) it will be worst – 0 percent of tariffs. We demand that protection and priority are given to national production."* The president of the Agricultural Producers of Hernando Siles and Tomina Province (FEDEAGRO) explained the impact of lack of control in the borders in the following terms: *"We were working with red pepper and peanuts, but just when we had stored a large quantity of peanuts, this product enter from Paraguay and this situation left us with debts…The government should protect strategic product for our region, such as peanuts and red pepper. I know that more than 500 ton of red pepper comes from Perú, filling the markets but before we were the providers…They are strangling us."*

Paradoxically, officers from the national and departmental level tend to re-initiate long processes of diagnosis once they come into power and completely ignore both what the producers have to say and previous studies. For instance, one high-ranking officer of the vice-minister of decentralisation interviewed in June, 2003 said: *"Smuggling is not the problem that ruins their (peasants') harvests, but it comes to cover an unsatisfied internal demand. The problem is that development plans until now have been based on*

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tractors dragging still some reforms…Never it has been the time to support the 314 municipalities for them to eat and digest the reforms, but in La Paz they are talking already of the next generation of reforms" (interview April 2nd, 2003).

[193] The application of the agrarian reform law of 1996 started with the saneamiento process in the care of technical transnational enterprises. "The lack of citizen participation is taking away the sense of legitimacy, belonging and identity to the process (of saneamiento)…The enterprises in charge are extremely technical and impersonal" (director of Fundación TIERRA).

[194] The CIOEC represents all the rural economic organizations in Bolivia, including associations and agricultural cooperatives. CIOEC works in different capacities: political incidence, training, organizational capacities, research, and marketing.

intuitive ideas, what we could protect? We do not know which ones are the strategic products. The first thing to do is identify the potentialities of the municipalities and then address resources towards them"[195]

The National Dialogue 2000 (described in chapter 3) attempted to address poverty in the framework of the decentralisation process, privileging the economic aspect of democratisation. Nevertheless, later on and due to contradictions in the process at national, regional and local levels, the social aspect was emphasised strongly in the Law of National Dialogue. The local government has little influence over these conditions, but nonetheless, the government may influence the perception and participation of people vis-à-vis both MGs and the decentralisation process.

Due to the lack of coherence on governmental policies, the international cooperation and non-governmental and semi-state organisations implement their own agenda. As one member of the Canadian cooperation mentions: *"We establish criteria together with the Vice ministry in order for them to enter into the logic of our own program…So far at this moment, the criteria are coming only from the cooperation…The government does not have any shared criteria."* In an outstanding effort, the international cooperation and NGOs promote concepts such as "productive municipality" and "local economic promotion", taking advantage of the central role that now MGs play as the meeting point of producers' organisations and as organisers of local economic processes. So far, successful experiences are reported mainly in municipalities already with economic potentialities. In contrast, poor municipalities receive assistance in order to reach the threshold of food-security. In that way, a prevalent risk to widen regional differences even more exists within the decentralisation process.

6.6.4 Conclusion of the section

In spite of the high legitimacy that the decentralisation process and particularly the Law of Popular Participation enjoy, as well as and their remarkable achievements, three major threats attempt to subvert its democratic goals: undemocratic practices of political parties, unfulfilled demands, and poverty. As for the first, political parties as main actors in the democratic process act very undemocratic themselves. Centralism, clientelism patronage, nepotism, patrimonialism, and corruption still characterise their actions expressed in the channelling of resources from the national to the regional and the municipal level, the assignment of public works to service providers, the nomination of local candidates, the covering of irregularities, and others. The unfulfilment of demands, particularly in Monteagudo, causes tensions between TBOs and municipal governments and even between leaders and their communities. People started to disbelieve in the process that requires them every year to participate by expressing their demands which result in few projects. The third threat, poverty, is the most complex to address. As many authors document, decentralisation only partially relates to the improvement of poor peoples' lives (see section 2) as evident in the studied municipalities, where an important percentage of people consider that their living conditions worsened in the last ten years. Poverty related to decline of productivity and lack of markets affect peasants in Monteagudo, while lack of security over land tenure is an additional obstacle for peasants in Sopachuy. This implies that people still migrate to more prosperous areas, very often to the commercial centre cities of Monteagudo, Camiri, Sucre, and Santa Cruz. Local governments can do little to solve poverty by themselves and coherent state policies are missing. At the same time, the national government itself is neither willing nor capable to independently address low international prices for agricultural products, smuggling, the entering of cheaper products due to the opening of markets, and other structural problems.

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[195] Another example is the change of the administrative structure of the executive power after the social uprisings of June, 2003. Once governmental officers took office, they initiated a new Strategy of National Decentralisation with support from the UN and some NGOs as a part of a wider National Plan of Development.

6.7 Summary of the chapter

This chapter offers a comparative analysis of the changes in power relations after the decentralisation process between the high and low differentiated municipalities described in chapters 4 and 5. As posed in chapter 1, this study analyses power relations as expressed in positions of representation, influence over local decisions, and capacity of control. This section summarises the main findings described above.

The first section of the chapter compares the power structures of Monteagudo and Sopachuy. The results show three main differences. First, regarding the composition of the powerful groups, two can be identified in Monteagudo: the socio-political group comprised of white-mestizo hacendados, ex-hacendados, and their descendants, and the economic group comprised mainly of some white-mestizo and *Colla* immigrants. Meanwhile, in Sopachuy, three types of privileged groups exist: the political, the social, and the economic. The first comprises mainly of peasant union leaders; the second by the ex-hacendados, and their descendants, and the third comprises of merchants of white-mestizo or *Colla* origin alike. The second relevant difference is that in Monteagudo, there is a clear and uncontested dominance of the white-mestizo population over the *Colla* and Guaraní population, which goes back to the colonisation period. The *Colla* merchants, followed by the peasants, comprise a middle-level social group. The native Guaraní population is relegated to the last social, political, and economic stratus. In Sopachuy, the indigenous Quechua successfully contested the white-mestizo dominance, which resulted in the distribution of the patrons' land and the formation of strong peasant unions after the national revolution of 1952. The indigenous Quechua dominate in number, culture, and political power. Nevertheless, in spite of the political gains of the peasants thanks to the agrarian reform of 1953 and recently the LPP in 1994, social hierarchies still remain, with the white-mestizo at the top. The third difference is that as a result of the Law of Popular Participation, power structures were modified in Sopachuy but not so much in Monteagudo. In Sopachuy, indigenous Quechua took over positions of decision-making and representation in the local government before a small powerful group of white-mestizo in town dominated the local government. In Monteagudo, a wider base of participation in power positions (municipal government, vigilance committee) resulted from the application of the law, but among the same white-mestizo population.

The second section of this chapter discussed the differences in political representation between Monteagudo and Sopachuy. In the latter, political representation in the MG after the LPP passed empowered most Quechua populations. Even when a professional of white-mestizo urban origin represents them as a mayor, political party commitment and alliances with peasant unions keep political control in the peasants' hands. In Monteagudo, socio-political established groups of power adapted themselves to the challenges of the decentralisation process and took over high posts in the political representation system through mainly three related mechanisms. One of them is their preexisting privileged social and political networks in the regional and national spheres, which made it easier for them to be included in the candidacy list. A second mechanism is their privileged education and access to information, which in Monteagudo in contrast to Sopachuy, is valued more than political empowerment. In Sopachuy, the demands on bureaucratic management challenge the political power gained by peasants, but the presence of some professionals in the MG and the support of government and non-government organisations toward peasant councillors and leaders in general attempt to establish equilibrium. A third relevant mechanism in Monteagudo is that political parties themselves approach well-off and "notable" people to represent them locally. These mechanisms works quite well since middle-class and poor white-mestizo peasants, *Colla* immigrants, and Guaraní engage in the game and believe that influencial people on their side will benefit them. Lack of cohesion as a group or class among peasants makes it easier for the established groups of power to engage in the process through traditional political parties and their clientelist networks or, in other words, to connect themselves as local brokers and their clients to national politicians (patrons). As Kurer (1997: 73) mentions, the political patrons act obstructs the development of class formation among clients by undermining class consciousness and collective action. This happens now among social groups such as *Colla* immigrants and Guaraní people, which under the new political structure are becoming mere clients of other more powerful groups.

The third section of this chapter answers the research question related to the influence of people on local decisions and the planning process. Two differences are worth highlighting. First, diagnosis and planning are more participative in Sopachuy than in Monteagudo because of the convergence of the interests of peasant unions, municipal governments, and local NGOs. Second, people in Monteagudo not only participate less in the incorporation of their demands in the planning tools, but once they introduce them, the plans are subject to large political influence before their approval. This is because of the influence of representatives and authorities who share the same social and political networks (sub-prefect, mayor, councillors, deputees, provincial councillors) and who primarily take interest in their own projects. NGOs and international community agendas also influence the design of the planning, but as mentioned before, NGOs in Sopachuy work close together with the peasant communities and result in the appropriation of projects by peasants prior to its formal demand. Second, the dominant presence of professionals in the municipal government in Monteagudo and the lack of political commitment give place to a top-down planning where strategic planning is favoured over peoples' participation. In contrast, in Sopachuy agreements and wider participation are privileged.

The fourth section of this chapter deals with the comparison of power relations expressed in the mechanisms of control exerted by the population over the performance of the municipal representatives and public work executed in their areas. I identified three mechanisms of control in the field: the vigilance committee, the surveillance of the territorial based organisations, and competition of political parties. The first two mechanisms are more effective in Sopachuy than in Monteagudo. The collective force of Quechua communities allied under one main political party, but mainly under peasant unions, strongly influence the municipal government, other official authorities (i.e. education and health sector), and even NGOs' performance. Individual actions, however, are much more limited and socially controlled. In Monteagudo, the multiplicity of interests and identifications allows no leading force to control and demand performance from the MG. Here, as Blair (2000) and Manor (cited in Jhonson, 2001) suggest, opposition political parties enforce accountability and debate. Political party competition therefore remains the most effective mechanism of control in Monteagudo, although the debate predominates inside the MG domain and oustside the reach of the population.

I discuss the cases of the other three high and three low differentiated municipalities in section 6.5 of the chapter. The cases of Huacareta, Muyupampa, and Machareti as high differentiated municipalities and Padilla, Tomina, and Alcalá as low differentiated municipalities show the same tendencies as the in-depth cases of Monteagudo and Sopachuy, except for the case of Padilla. In the high differentiated municipalities, traditional groups of power, mainly hacendados and their descendants, took over positions in the municipal governments, while in the low differentiated municipalities, the rural population strongly emerged in the urban sphere and took over political control. In the low differentiated municipalities, participation of rural population in terms of representation, influence over local decisions, and control improved more than in the high differentiated municipalities. Some may consider the case of Padilla as an intermediate case between high and low differentiated municipalities because professionals now emerge as the group with political and social power, thus maintaining the paternalistic and patronage relation from the urban population towards the indigenous people.

The last section of the chapter answers the last research question by identifying the main threats to the democratising objectives of the LPP and LDA. I identified the following three in the field: political parties' undemocratic practices, unfulfilled demands, and poverty. As for the first, political parties as the only mechanism of representation played a key role in democratic decentralisation until recently. Nonetheless, political parties are still highly centralised and vertical. Clientelism, corruption, and authoritarianism linked to caciquism exerted at the central and regional level influence local governments. Emerging technocrats linked to political parties and other local politicians often contest and resist by following different factions of the same party by making regional alliances or by directly disobeying instructions. Political parties are involved in political representation, local planning, and control. In the three of them, a more centralist and vertical influence of political parties in the national, regional, and local spaces appear more in Monteagudo than in Sopachuy. This is due to the higher presence of political forces with more power (all of them occupied a government position at least once since 1982), weak grass-roots control, and the larger resources and potential voters involved. Despite the amendment to the constitution, it remains unlikely that independent representatives will offer serious competition for political parties (see Blair, 2000: 35 and Ayo, 1999: 108). The risk of cooptation under new forms is high because the civil society is not as yet strong, and as the case of Guarani people and womens' representation show, the presence of one of them in the MG does not imply the defence of their interests. It appears that the only path for pluralistic and democratic representation will come from the democratisation of political parties and the strengthening of civil society as a whole.

As for unfulfilled demands, they undermine the legitimacy of the decentralisation process because of high expectations and the efforts of many TBOs (by meeting, identifying demands, and collecting, and organising counterparts) and result in few projects. In Monteagudo more than in Sopachuy, TBO leaders are disappointed with the results of their yearly demands which reflect in the more negative perception of their authorities and of their own situation. Political, bureaucratic, and technical factors within and outside the local arena and what Coraggio (1997: 35) calls the lack of coincidence among social, technical, and political times[196] determine delays and the lack of accomplishment, creating tensions between municipal governments and TBOs and also within TBOs. Finally, poverty undermines the remarkable achievements of the process. Lack of markets and low prices for agricultural products affect producers in Monteagudo, while for producers in Sopachuy minifundio and lack of legal land tenure create additional obstacles. In Monteagudo more than in Sopachuy, lack of improvement in living conditions lead to disillusionment in the power of the democratic processes and organisations in bringing about a real transformation. So far, no evidence exists that the decentralisation process has improved living conditions or whether it has decreased the migration flows toward more prosperous areas.

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[196] According to Coraggio (1997: 35), social time marks a rhythm of urgency; technical time depends on the need to carry out studies, projects, and building up technical and economic feasibility, and political time, in regard to political parties, orients toward electoral calendars and opportunism.

CHAPTER 7: CONCLUSIONS

This study aims to compare the changes in power relations between high and low social differentiated municipalities in the framework of decentralisation policies. I presented the main results in chapter 6, which compares the different sets of power structures and responds to the research questions. This chapter then aims to conclude the study by summarizing the results and connecting them with the theoretical frame laid in chapters 1 and 2. The chapter organises around the discussion of the four initial assumptions presented in chapter 1. To finalise, it identifies the implications of the conclusions for policy design.

7.1 The main assumption

This study departed from the main assumption that the application of the same decentralisation policies in different social contexts in Bolivia results in different allocations of power depending on the preexisting local social structures. Neither the theme nor the hypothesis is new since a worldwide extensive body of literature exists showing how policy interventions, including democratic decentralisation processes, may perpetuate or even deepen uneven power relations in accordance with local prevalent patterns of domination. This work contributes to this discussion by identifying historical events (or critical events) that shaped the preexisting local social structures in the municipalities of study along with the current mechanisms through which power relations perpetuate or transform. This section presents the conclusions of this study based on both of these contributions.

7.1.1 Historical events in the formation of local socio-political structures

Throughout this study, the importance of the socio-cultural background of the population and the heterogeneity of the local socio-political structure in organising and demanding responses from their leaders and governmental authorities is evident. Because of their impact on power relations and their long-term consequences, two historical events explain current power configurations: the Spanish colonisation and the agrarian reform of 1953. Conditions that favoured the circumstance of the former were initial geographical and population characteristics such as low population density and land favourable for cattle-raising in the Chaco area and the high density of populations close to rich mining exploitations in the higher valleys. These conditions resulted in different patterns of colonisation which - as a critical historical turn - implied the inclusion of a large number of Quechua communities as part of the haciendas of the high valleys and the elimination or displacement of Guaraní in the lowest areas. Quechua communities were subdued without the violence applied to the Guaraní partly because they were needed as cheap labour for the mining exploitations and haciendas and partly because they fought against the conquerors without the hostility of the Guaraní. This event caused important consequences for the Quechua communities that in great extent kept their traditional ways of organisation and cohesion. For the Guaraní, it implied their final subjection to the authority of the patrons. Later on, the intervention of the church and the granting of their land as a political prize by successive governments sealed the colonisation of their territory.

The second historical event or "turning point" is the agrarian revolution of 1953. The agrarian reform aimed to distribute land from big patrons to the peasant communities and to the state. It also aimed to establish new settlements in less populated areas and to introduce technological improvements. The presence of concentrated communities linked to large haciendas close to the centres of power (Sucre and La Paz) in the highlands and the scattered population and continuous presence of the patrons in the haciendas of the Chaco area established the initial conditions. The Bolivian defeat on the Chaco-War (1932 – 1935) initiated a process of revolts from different social fronts. These revolts finally ended with the middle classes, urban workers, the military, and peasants actively participating in the national revolution of 1952. After that, the indigenous people in the highlands found more opportunities to take land and organise themselves under unions than the distant peasants and Guaraní in the lowlands. Additionally, the patrons in the low lands carried out a counter-reform facilitated by the lack of contact of their peons with the outside world and by their clientelist relations with the few local authorities. The patrons themselves became partisans of the Nationalist Revolutionary Party, the leading-revolutionary party and took over positions of representation in peasant unions as well as bureaucratic organisations.

The agrarian reform also created consequences for the application of development projects and the channeling of capital and technology. As chapters 4 and 5 explain, the economic importance of the Chaco area (rich in gas and oil) and the power of the *hacendados* determined the implementation of modernisation processes such as the introduction of technology, communication networks, and the expansion of bureaucracy in the lowlands. As shown in Chapter 4, the small presence of the state with development projects in the valleys and their traditional ways of organisation motivated the strong presence of NGOs in those areas, which later on proved determinant in strengthening peasants organisations. Additionally, the agrarian reform promoted colonisation processes from the *Colla* population towards the Chaco areas during the 1950s and 1970s because of the opportunities that opened for land tenure and the economic dynamic promoted by the development corporations. The agrarian reform then contributed to reinforce the political power of white-mestizo in the low lands while it gave power to indigenous populations in the highlands and promoted a process of socio-cultural diversification in the low lands (see sections 3.1.3, 4.2.2 and 5.2.2).

Although the decentralisation process enjoys an undeniable relevance for the population in the municipalities and increased opportunities for participation, particularly in the valleys, it is not yet possible to say that the decentralisation process, or more explicitly the Law of Popular Participation, is a turning point in history. This is more so considering that the potential of both the LPP and LDA is being threatened among others by poverty, undemocratic political practices, and bureaucratic complexity (see section 6.6). Future analysis may examine to which extent the recent opening to other participative democratic mechanisms such as the *Asamblea Constituyente* and the *Referendum* is consequential of the failures of the decentralisation process in representing peoples' interests and to which extent it is a consequence of the information, representation, and participation opportunities it instigated.

7.1.2 Mechanisms of power cooptation

I discussed the main processes of negotiation, accommodation, and struggle that influence current configurations of power in chapter 6 (see section 6.7). I identify the following four factors as the most relevant. First, the accommodation of the white-mestizo population to the decentralisation intervention in high differentiated municipalities influences the current power configuration. As explained before, groups of power in the high differentiated municipalities were already part of regional and national political networks as a reflection of their higher wealth and status when compared with other locals. After the LPP passed, it was not difficult for them to promote themselves in the political party networks as candidates in municipal elections and to capture positions in the vigilance committees, especially in Huacareta, Macharetí, and Muyupampa where the presence of privileged white-mestizo men in the municipal governments extend their former presence in the civic committees, directives of producer associations and local political party cells. In Monteagudo, the same process took place but involved mainly urban caciques which predominated in the bureaucracy of development projects prior to the LPP (see section 4.2.4).

Second, reinforcing the process described before is the action of the political parties themselves that chose their candidates among well-known and notable local figures likely to be elected. The so-called "traditional parties" in power since the recovering of democracy in 1982 most likely promote privileged members in the local sphere regardless of their political capacity or social sensitivity. In high differentiated municipalities, they favour land owners and professionals of white-mestizo origin and the low differentiated municipalities favour mainly merchants and professionals. As Ayo (1999), points out, political parties in Bolivia have an homogenising effect because they do not try to represent the diversity of social groups but instead they promote candidates with characteristics, such as male, professional, and mestizo candidates. As seen in this study, this reinforces and increases the difference of opportunities to represent - and be represented - for the majority of indigenous peasants. In the few cases in which they promote indigenous representation (MIR for Guaraní and MBL for Quechua peasants), their support often stops shortly after the elections so that the candidate's performance depends on their own personal characteristics (see section 6.2).

A third method through which white-mestizo in all municipalities express and capture more power is professionalism. Their privileged access to education when compared with the majority of the indigenous population provides a source of higher status and opportunities. This process may be traced back to the colonial times, yet now the introduction of agrarian policies and projects has exacerbated it since the beginning of the 1940s. The LPP not only decentralised resources and power but also specialized knowledge. The high demands of decentralisation in the form of financial, administrative, technical, and legal knowledge in the hands of the white-mestizo reinforces the presence of white-mestizo in high positions at the local level. This translates into political power often in Monteagudo, while in Sopachuy, the role of professionals submits (not without struggles) to the political power of the peasants (see section 6.2 and also below).

The fourth mechanism of power co-optation identified is political action resulting in commitments and alliances. This occurs in the alliances between the Guaraní population and the political party MIR in Muyupampa and Huacareta and between the Quechua peasants, the political party MBL, and the NGOs in the low differentiated municipalities. In the first case, the results were ambiguous. Guaraní councillors were elected but accomplished little in the councils because of discriminatoin and because their demands as a group of people are diluted in the municipal sphere (sections 4.5 and 6.2). In the case of low differentiated municipalities, particularly in Sopachuy and Tomina, the alliances between the MBL, some NGOs with well-established presence (particularly ACLO), and the peasant unions allowed the election of Quechua councillors and the strengthening of their organisation. In this way, the remaining political power of white-mestizo in the governmental representation and bureaucracy of town has been successfully contested in Sopachuy and less successfully in the other low differentiated municipalities where peasant unions divide more among political factions. In the high differentiated municipalities, lack of cohesion as a group or class among peasants makes it easier for the established groups of power to co-opt power through traditional parties. The arguments of authors such as Lansberger and Hewitt (1970), Hobsbawn (1973), and others (see section 2.3.2) point out the lack of cohesion and formation of interest groups among peasants, which remain relevant in the case of the high and low differentiated municipalities and explain the capacity of peasants to manoeuvre and capture power. Likewise, Kurer (1997) points out the role of political patrons in obstructing the development of class formation among clients and Potter (1997) points out the role of landlords as antidemocratic forces impeding the strenghtening of peasant organisations in high differentiated municipalities (see sections 2.3.2 and 4.2.2).

To finalise this section, it is relevant to mention that the characteristics of high and low social differentiation neither explain per se the results observed in this study nor do they automatically persist in other regions. What is relevant in taking into account differentiation as a variable in Bolivia, as in other Latin American countries with indigenous populations, is that the social, economical, and political supremacy of the white-mestizo characterise the heterogeneous social regions. Then differentiation as a variable to analyse the outcomes of decentralisation or other democratising processes is useful when considering historical patterns of domination, the levels of internal differentiation among the groups, and the sets of alliances and/or undemocratic mechanisms that local actors pursue for obtaining power. The case of Padilla (section 5.6.2) shows that not all peasants in low differentiated municipalities successfully contested the power of the white-mestizo despite the ideal historical conditions such as the relative implementation of the agrarian reform. The geographical position of the Padilla municipality along the main road system, the importance of Spanish as the first language among peasants and its developed urban area facilitated an extensive presence of traditional political parties dominated by white mestizo. Additionally, accessibility to the markets influenced their differentiation and their fractionalisation among political parties.

What I argue and in great extent demonstrated here, is that on one hand, the historical dominance of the white-mestizo within a high social stratification results in poorer outcomes of democratisation and participation, while on the other hand, low socio-cultural differentiation and strong cohesion comprises a foundation for organising common interests and responses. Necessary but not sufficient, the political action of local actors such as political parties and NGO members proves essential for peasants' empowerment in the political arena.

7.2 Local powerful groups

This study also specifically assumes that local actors are changing their bargaining power and roles while striving for maximum benefits from decentralisation intervention. This, I assumed, would result in the cooptation of power by already established powerful groups in high differentiated municipalities and establish a new group of power responsive to most people in low differentiated municipalities. While I discussed this assumption in chapter 6 and partly in the section above, this section remarks the different characteristics of both types of powerful groups: the white-mestizo in the Chaco and the peasant leaders in the valleys.

While it is tempting to conclude that a new group of technocrats and professionals are challenging the power of the old caciques and *hacendados* in high differentiated municipalities, in fact the same white-mestizo male-oriented group remains in power. Their exercise of power still yields differences and conflicts, but these conflicts revolve around political factionalism, and in the best cases, efficiency and efficacy of municipal projects. They seldom, if ever, consider including *Colla* peasants or Guaraní in positions of representation and control. Among the three characteristics of Latin American politics reviewed in section 2.3.2, patrimonialist and corporatist features appear in their domination methods. For example, the mayor and councillors assign at their discretion resources such as cars, infrastructure, and even technical personnel and their power goes almost unchecked by the vigilance committees (see section 4.7). Corporatism in the form of organisation of producer associations, economic groups, merchants, and others under the regulation of the municipal government now increases, not in coincidence to the strengthening of the civil society as a whole but as dependant on municipal government incentives. If these groups survive, they hope that the local government would provide them with benefits such as technical assistance and infrastructure. Groups and associations tend to emerge and disappear according to the availability or scarcity of funds, which in the first instance depends on the cooperation agencies' programs.

The most extended pattern of domination, though, occurs through political clientelism. The introduction of Guaraní candidates supported collectively by the Guaraní in exchange for influence and power in the municipal council may constitute the most dramatic form of clientelism in these municipalities. As the interviews with the Guaraní councillors show, the demands to respond to the municipality as a whole in detriment of the Guaraní as a group dilutes this power. Furthermore, it divides many Guaraní people between those who argue for gaining power within the rules of the "karay" and those who stand for empowerment as a group of people (see section 4.5).

Clientelism has always been a way through which landlords and peasant leaders with privileged education or connections with political parties debilitate peasants' organisations in the Chaco area. As the case of the vigilance committee of Monteagudo shows, peasant union leaders still co-opt new spaces of representation and use them to strengthen their position along with the one of their political party. As Zaman suggests (1983: 614), local patrons who work as brokers constitute the minor network that supports the major network of politicians and bureaucrats who wield political influence. Interviewees reported also the crass clientelism of political parties that consists of buying votes with money or small material rewards in rural communities shortly before elections. Therefore, new power allocations to peasants in high differentiated municipalities belonging to marginalized cultural groups divide along different political party lines, mainly those known as the "traditional" party lines (MNR, ADN, and MIR). Peasants and people with no ties with political parties expressed no distinction among political parties' proposals in favour of peasants as a group that would explain diverse preferences. However, Hanza Alavi (cited by Zaman, 1983: 610) provides an explanation that reflects the situation in the municipalities of this study. He identified extreme insecurity, low standards of living, and paternalistic ties with the rural elites as factors which account for the internal division by competing loyalties in village-wide factional disputes of poor peasants as a class. He further observes that in a situation of pervasive factionalism, the rival factions remain in general structurally similar and that the faction leaders fight for control over resources, power, and status available within the existing framework of the society rather than fighting for changes in the social structure.

The politically powerful groups in the low differentiated municipalities show different characteristics. They stem culturally from the Quechua indigenous groups. Their power derives in large part from the delegation of power by the peasants in central and sub-central peasant union meetings. Their political party ties remain secondary. The decentralisation process allows them to expand their power sphere as part of a new group officially and nationally recognised namely as TBO leaders and councillors elected to the municipalities. Their entrenched power depended on their followers (*las bases*) and their new power positions remain equally dependent. Many authors already acknowledge the fact that more homogeneous and organised groups take better advantages of development projects. In the case of Sopachuy and Tomina, this resulted in the empowered group of leaders responding more to the demands of the large indigenous majority (e.g. the councillors visit and listen to people in their community and organise informative and consultative meetings).

In spite of Quechua leaders responding more to their followers, an increasing process of differentiation from their followers now takes place. They now have unprecedented access to privileged information and sometimes even earn a modest monthly salary. As little as this seems, it gives them new social status. The same can be said for the Guaraní leaders in high differentiated municipalities. The church trained most of them and as the world paid increasing attention to the indigenous people since the 1990's, many of them found themselves assisting international events and adapting to other ways of thinking different than those of their communities. This results in the separation of indigenous leaders as a privileged group when compared to grass-roots people because the former integrate easier into the discourses and administrative management of the decentralisation interventions (section 5.4.2). Esman and Uphoff (1984: 249) explain this process: "The more training and resources they (local leaders) are given, the more distance is created between leaders and members. The shortcut of trying to mobilize rural people from outside through leaders, rather than taking the time to gain direct understanding and support from members, is likely to be unproductive or even counterproductive, entrenching a privileged minority and discrediting the idea of group action for self-improvement."

Grass-roots political leaders increasingly transform their role from political intermediaries to development brokers because of their position at the intersection between the communities and the municipal government (see section 2.3.2). The current process of decentralisation implies the channelling of demands from the bottom up and the execution of specific projects executed from the top down. Their privileged training in the legal and bureaucratic arrangements of the decentralisation process increases the capacity of grass-roots political leaders to mediate between the two worlds which they connect as necessary intermediaries. As interviews with peasant leaders in Sopachuy and Guaraní councillors in Huacareta and Muyupampa show (see sections 4.5 and 5.5), grass-roots leaders engaged in the process as councillors or TBO representatives often adopt the position of the MG by, for example, explaining to their followers delays or limitations in the execution of projects or looking for funds themselves for local projects within their networks (NGOs, international cooperation). At the same time, they represent their followers and talk on their behalf vis-à-vis "the others" who are not part of the community. The emergence of peasant leaders as brokers appears more evident in Sopachuy than in Monteagudo because their historically strong political position is transforming in their relations and alliances with the municipal governments and NGOs, who function to implement specific projects. Their "transformation" responds to what Bierschenk (2002: 19) calls a "procedural discovery" of opportunities rather than to the execution of a previous elaborated plan; many of them may demonstrate sincerity and even believe in the on-going projects they help to carry out. In this study, the author observed that some leaders as well as technicians are even being "caught" in their brokerage function. They evidently struggle for exclusive control over the interface and source of their favourable position because it gives them either social status or a source of income, and yet they usually see themselves as victims in the middle of unfortunate "misunderstandings." Some of the cases show that this results in the middlemen abandoning their position or more often looking to survive in their positions as long as possible.

It is possible to conclude then that the current decentralisation process has added more intermediaries in the negotiation and execution of projects at the local level and that the white-mestizo along with professionals in high differentiated municipalities and peasant leaders in the low ones take these positions in both types of municipalities. This study shows that powerful groups in Sopachuy respond to their constituencies better than in Monteagudo but that the channelling of privileges towards them (e.g. information, salaries) creates distance between them and their followers.

7.3 Efficiency vs. participation

A second specific assumption of this study was that the presence of higher-educated and wealthy people in high differentiated municipalities make those municipalities more efficient in applying and taking advantage of the norms that regulate the decentralisation process although the distribution of benefits provide less equity than in low differentiated municipalities. I argued that this happens because higher-educated people privilege bureaucratic procedures of planning over participatory planning from below while in low differentiated municipalities the participation of more powerful people in the planningprocess favours a more equitable distribution.

First of all, evidence shows that the presence of professionals and technicians in the municipal government in Monteagudo make it more efficient in planning projects and attracting resources from both government and international cooperation organisations alike. The presence of planners and other officers trained either in the former CORDECH and other projects ensure a high profile for the administrative management of the municipality. For example, the municipal government was praised in 1992 because of its capacity to attract external resources in relation from one Bs. of the municipal resources for five Bs. of the total available budged. Development plans in Monteagudo are more sophisticated and complex than those in the other municipalities. They count not only with the five-year and annual plans, but also with policies and strategies for economic development by sectors and transversals. The case of Sopachuy, however, is different. The presence of peasants in the local government is a political gain as a result of the LPP but their lack of training in bureaucratic and administrative management proves a source of delays and frictions between them and the technical municipal team. The technical and economic support of NGOs compensates the lower capacity of the MG of Sopachuy to attract funds (see Nijenhuis, 2002). In that way, while local actors in Monteagudo prefer strategic planning, in Sopachuy they privilege peoples' participation. In other words, in Monteagudo participation takes the form of an instrument for carrying out projects while in Sopachuy it empowers the majority of the population (see section 6.7).

Local actors achieve balance between strategic planning and popular participation neither in Monteagudo nor in Sopachuy or in other municipalities of this study for that matter,. On the contrary, these two processes interact (i.e. municipal meetings and evaluations) through confrontations between different values and meanings as the description of sections 4.6 and 5.5 show. These encounters find solution, as mentioned before, through the privileging of bureaucratic planning in Monteagudo, and when possible, through attending to TBO demands in Sopachuy, even though in some cases this may disperse resources rather than benefit the community.

Second, whether the distribution of benefits tend to be less equitable in high differentiated municipalities than in low ones because of weak participatory planning processes and accountability is only partially true. I found no evidence that some TBOs experience specific discrimination in the implementation of projects in Monteagudo or in Sopachuy for that matter (see section 6.6.1). Municipal plans and questionnaires alike showed that local governments make an effort to distribute resources quite evenly between urban and rural areas and among TBOs (although some favouritism and clientelist practices were reported in Monteagudo as well as a slight favouritism for rural TBOs in Sopachuy). Therefore, not enough evidence exists to say that distribution of resources is more equitable in Sopachuy than in Monteagudo. However, a person may conclude that due to high levels of intermediation, less resources are allocated to TBOs' project demands in Monteagudo because of the predominance of technical planning over participatory planning as well as the extended clientelist network involved. As outlined in section 6.3.3, technicians, councillors, provincial representatives, and other authorities influence the municipal plans and even international cooperation agencies interfere by making offers that the MG accepts in order to attract resources.

It is possible to conclude then that the presence of professionals in Monteagudo allegedly resulting in more efficient and capable municipal government performance contains only partial truth because several actors mediate the planning process. The local government more efficiently executes projects and attracts funds, but not in direct response to the populations' demands.

7.4 Threats to the legitimacy of popular participation and decentralisation

A final assumption of this study was that external conditions such as continuous regulatory changes and poverty threaten to reverse the legitimacy of the popular participation process, particularly in high differentiated municipalities because the presence of several groups with different interests tend to dilute the impact of peoples' participation on planning and accountability.

Section 6.6 discussed the main threats to sustain the legitimacy of the decentralisation process. The threats identified by the social actors themselves are: undemocratic practices of political parties, unfulfilled demands, and poverty. Part of these threats relates to conditions external to the municipal domain. For example, administrative central failures such as delays on promised disbursements, complex and time-consuming procedures, and continuous changes in the norms weaken the position of the local governments. They even show more political stability than the prefecture and even some ministries.

An analysis of questionnaires and interviews alike revealed that the majority of people acknowledge the improvements brought about by the application of the LPP in health, education, infrastructure, and also the unprecedented participation in decision-making and control. During the workshops, TBO leaders compared its importance to the agrarian reform of 1953, or, in Monteagudo, to the influence of CORDECH's projects in the rural areas. Nevertheless, many of them voiced disenchantment with the lack of a positive impact of the local government's projects on daily income generation. Some of them discourage about submitting further project proposals. Since the local population does not separate laws or policy interventions according to their specific aims, they identify the lack of land, insecurity over their land titles, and lack of markets and fair prices as main failures of the LPP. Several of the TBO demands blame structural problems related to poverty, markets, and environmental pollution, none of which find solutions only through the LPP. This frustrates people and undermines the value of democratic processes such as municipal elections and participatory planning.

Therefore, when assessing the legitimacy of the decentralisation interventions in democratising local processes, it is important to look at how the lack of concrete gains in solving structural factors such as lack of markets, smuggling, lack of protection of strategic products, or land titles undermines democratic political gains. Equitable economic redistribution can be as equally crucial for sustaining political democracy as universal suffrage. Recalling the numerous studies on Latin American history (see section 2.3.1), one cannot but conclude that the peasants' situation is still rooted in their low status within local, national, and global scenarios. In the municipalities of this study, this is reflected in their persistent fewer opportunities for education, economic amelioration, and social subjection in daily relations with the white-mestizo. Many peasants in the Chaco area still depend on the good will of their patrons in the valleys for the exercise of their rights, and some still depend on town-dwellers taking their sons and daughters under their patronage for their education. More than that, the diffusion of power among TBO leaders, vigilance committee members, mayors, councillors, uninominal deputies, provincial councillors, sub-prefects, and political party local leaders, add to the presence of traditional patrons (merchants, truck owners, town-dwellers, big landlords) and, makes it more difficult to identify a common front of domination (or whether they can contest or subvert this front for their own purposes). The success of the political party MAS in the last municipal elections (December, 2004) reflects the identification of peasants throughout the country around common "enemies" such as open-market policies, external intervention in national issues, rejection of corrupt political-party practices, and others. It is unrealistic, though, to imagine that these elusive enemies will be enough to agglutinate at the opposite pole the different interests of the fractionalised peasantry and the sympathetic middle classes.

People in Monteagudo have more negative perceptions than those in Sopachuy about authorities while present life conditions are worse in the former. This is partly substantiated by the data of Nijenhuis (2002: 130), who showed that in Sopachuy, since 1997 there has been a higher implementation of the POA than in Monteagudo and Huacareta. TBO leaders' perceptions of being left aside are justified not because of personal misappropriation of resources, which were not confirmed, but because of hierarchical decisions and influences. In contrast, in Sopachuy, inclusive participation in political planning and control and a better information exchange between the MGs and the TBO leaders and from them to their followers (las bases) leads to a better understanding of the difficult position in which the failings of the central political parties and government officials place the MG. As many interviews show, the flow of information helps people to understand the limits of the decentralisation process so that they are not quick to blame or disbelieve in the process.

7.5 Policy implications

The findings of this study offer many policy implications for Bolivia, four of which I stress here. First of all, the central government needs to regain control of the decentralisation process. This may sound contradictory, but it reflects the need for the national government to lead the design of policies, their implementation, and their evaluation vis-à-vis the objective of democratising, once and for all, the Bolivian local system of representation, control, and planning. A balance then is necessary between peoples' participation and strategic planning as well as between central and local power. The political action and commitment of political party members and their followers is highly relevant in this balance and, particularly, in the devolution of power from the centre to the local spaces. Specifically, political parties should allow their regional and municipal representatives to make their own decisions but at the same time exert control over their performance. More than that, they should promote new candidates not only committed to the "region" (a term that grants potential for manipulation), but to specific groups of people and then support them throughout the electoral campaigns and the government periods. The decentralisation process aimed at more democratic representation through a reallocation of power cannot simply stop at rearranging those in power in the local office, but it must also reallocate power within the very mechanism, namely the political parties, through which potential power holders are mediated whether in high or low differentiated municipalities.

Secondly, international cooperation should adopt only a secondary role by supporting the national and local governments and avoid the temptation of filling the vacuum of national coherent policies. In any case, donors should be aware of and avoid both the exclusive bi-lateral relations with the local governments in the planning of activities and the favouritism to certain groups (leaders) in providing training and information. Both the government and the international cooperation agencies should reinstate the impetus given to the LPP during its first year of inception through massive information campaigns. Disseminating the contents of the Law of the National Dialogue and its regulations and ensuring that every TBO receives a copy of the PDM and POA remain particularly important. Recognising and correcting the fact that all credits and donations do little when compared to the lack of willingness to seriously support national products in the international market would create a larger and more difficult challenge for the international community in Bolivia. In other words, rural poverty undermines human and economic efforts for a more democratic society and as long as it remains unsolved, MGs will continue only administering demands and dispersing resources in small public works.

Third, as historical paths in great extent condition the current ability of people to manoeuvre, it is important to attend to those consistently neglected as in, for instance, the case of indigenous Guaraní and peasant women. As for the former, it is time to postulate the real possibility of creating Guaraní municipalities and to support them in reaching administrative and bureaucratic efficiency. In that way, the "transcommunity networks" to which indigenous movements depend (Yashar, 1997: 25) may establish and strengthen themselves. As in the case of the Quechuas who dominate the low differentiated municipalities, the creation of such Guarani municipalities would give them a chance to integrate the national administrative and political changes under their own representation. As for women, this study shows that only specific measures such as the 30 percent quota required by law motivates political party officers and followers to actively support their participation in the municipal governments. Arrieta (1995: 60) accurately pointed out that "It is easier for an Aymará such as Víctor Hugo Cárdenas (ex-vice president) to be seated besides the president of the republic in the cabinet than an indigenous person to be seated in a municipal council of a village." Reality shows that it is easier for an indigenous person to be seated in the municipal council of a village than for a woman to be seated as the head of a peasant union. While the LPP improved indigenous representation, women (particularly the poorest) still submit to occupying marginal positions. Nevertheless, an organisation of female producers, for example, may offer a solution through cultural resistance because it ties to economic benefits. Political action, again, was identified in this study as one of the key factors in enhancing womens' involvement in local planning. In both Monteagudo and Sopachuy, resources are too meagre to pay for male and female TBO representation. In Sopachuy, the political commitments of peasant union leaders at least ensure massive womens' attendance at the meetings. As mentioned by Fox (1994b: 151,155), electoral competition is necessary but not sufficient for the consolidation of democratic regimes. Political commitment and alliances may reverse historical patterns of domination.

Finally, it remains necessary to review the origins of the popular participation and decentralisation interventions. Presently, participation increasingly takes instrumental form at the cost of empowering local people, especially when its main aim stresses efficiency. Empowering civil society requires time and resources and the rhythm dictated by the increasing technical demands of efficiency sets an impatient tone. Lessons from the past, however, show us that when development interventions are not at the very least legitimated and appropriated by the people, they waste resources and benefit only the most advantaged. Participation is therefore political and pragmatic. As such, participation should not detract from decentralisation. As long as the major political players commit, decentralisation in Bolivia still may potentially remove the main grievances of social exclusion and poverty that led Bolivia down the path of three deadly riots during 2002 and 2003.

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ANNEXES FOR CHAPTER 1

Annex 1.1: List of people interviewed

MUNICIPALITY OF MONTEAGUDO

Name	Position
Arnaldo Saavedra	Mayor
Patricia Silveti	Councillor
Dora Camargo	Councillor
Hugo Abdelnur Suarez	Councillor
Angel Apodaca Lizarazu	Councillor
Nelly Lanuza	Councillor
Bonifacio Aguilera	Councillor
Andrés Herrera	President of the Vigilance Committee
Grover Castro Díaz	Director of the Planning office of the MG
Jorge Abdelnur Suarez	Provincial Counsellor
Alicia Barja	Responsible of the Unit of Taxes of the MG
Ivana Siles	Mayor Officer of the MG
Mario Rojas	Sub-Prefect
Emiliana Olguín Medina	Regional Chief of the National Institute of Agrarian Reform
Javier Villarroel	Local Judge
Evelin Peters	First Coordinator of the Mennonite Central Committee
René Rojas	Second Coordinator of the Mennonite Central Committee
Mariana Arciénaga	Responsible of the Program for Adolescents of the NGO "CIES-Reproductive Health"
Richard Alvarez	Responsible of the Human Rights local office
Edgar Chávez	Ex-Adviser and founder of the Council of Guaraní Captains of Chuquisaca
Eloy Blanco	Local officer of the PROINPA Foundation
Peter Smith	Volunteer of the Peace Corp
Gustavo Ticona Durán	Acting Director of the Centre of Research and Genetic Improvement "Los Sauces"
Walter Herrera	Responsible of the Program of Extension and Credit of the "Proyecto Unificado"
Marco Antonio Acinca	Director of the Health District
Lázaro Paniagua Morales	Director of the Education District
Raúl Zegarra Pantoja	Parish priest of the catholic church
Arturo Cortez	Responsible for Administration of Credit. Cooperative for Savings and Credit "San Martín de Porres Ltda."
Jaime Guzmán Balderas	Member of the Council of the Integral Cooperative "San José Obrero"
Rocío Veizaga	Local Consultant
Mario Mencias Rodríguez	Former Sub-Prefect and Mayor. At present, member of the Civic Committee and Executive of the Traders Union
Ninfa Sensano	Retired Teacher
Katherin Isvick Vda. de Peralta	Ex-big landholder
Beimar Peralta	Ex – big landholder and member of the political party MNR
Arnaldo Chavez	Ex- Officer of the Development Corporation of Chuquisaca. Author and Researcher.
Williams Cortez Aparicio	President of the Civic Committee
Alex Quintana	Member of the Civic Association "Unión Progresista Sauceña" and member of the local Association of Cattlemen.
Walter Rodas Flores	Secretary of Relations of the Valle Nuevo Community (TBO)
Renato García	Member of the Peñaderías Community (TBO)

Gregorio García	President of TBO “San Miguel del Bañado”
Dora López	Merchant in San Miguel del Bañado
Fidencia López	Merchant in San Miguel del Bañado
Yolanda Cardozo	President of the community “Timboypampa” (TBO)
Mario Suarez	Guaraní Captain of “Cañadillas” (President of TBO)
Victoria Rodriguez	Ex-president of the community “Casapa” (TBO)
Francisco Zoreta	Ex-leader of women´s organisation of “Casapa”
Vicente García	Vice-president of the community “Tacuara” (TBO)
Juan Poma	President of the Neighborhood “Primero de Mayo” (TBO)
Dora Sensano	President of the Neighbourhood “Los Naranjos” (TBO)
Florentino Céspedes	President of the Neighbourhood “Candua” (TBO)
Carlos Martinez	President of the Neighbourhood “Lagunillitas” (TBO)
José Luis Nuñez	President of the Neighbourhood “La Tablada” (TBO)
Ivar Salazar	President of the Neighbourhood “Los Pinos” (TBO)
Carlos Gonzales	President of the Neighbourhood “El Paraiso” (TBO)
Marina Ortega de Carballo	Trader and Seller
Andrea Rodriguez	Vice-president of the Association of Women Producers AMPROCOM
Justina Barrios and Seferina Rodríguez	Women peasants and members of the association of producers organized by the NGO PROINPA
Ramiro Valdivieso	President of the Agrarian Producers Federation “FEDEAGRO”
Angel Ramos	Consultant for ANDECH and Dutch Cooperation SNV
Mónica García	Surveillance Committee
Edwin Velásquez	Uninominal Depute in Monteagudo
Jacinto Aramayo	Chef of the Regional Command of MNR in Monteagudo

MUNICIPALITY OF SOPACHUY

Name	Position
Jorge Jaime Daza Ramos	Mayor
Maritza Rejas	Councillor
Eulogia Galarza	Councillor
Rafael Marín	Councillor
Félix Mercado	Councillor
Pedro Galarza	Councillor
Juan Manuel Bolaños S.	Director of Planning and Projects of the MG
Fuad Crespo	Responsible of the tax collecting office of the MG
Paulino Sardan Cerezo	President of the vigilance committee
Ramón Guzmán Aldunate	Director of the Education District
Alfredo Téllez Ortiz	Parish priest of the Catholic Church
Waldir Crespo Veizaga	President of the Neighbourhood (OTB) and member of the Civic Committee and ex-mayor
Alejandro Jimenez	Ex-mayor
Mery Orozco	Pharmacist and ex-mayor
Daniel Vargas Ayllón	Responsible of the local office of the cooperative “COSAL”
Ives Encinas	Retired teacher and ex-officer of the Vice-ministry of Indigenous Issues.
Claudio Nava	Member of the Producers Association of Frejol. Worker of the Agrarian Cooperative “San José Obrero”
JaimeMartinez	Local responsible and technician of the NGO “ATICA”
Juan Flores Estrada	Executive Secretary of the Unique Central of Peasant Workers of the Tomina province.
Francisco Cerezo	Ex-executive Secretary of the Sub-central of Peasant Workers
Francisco Nuñez	President of the community “Rodeo” (TBO)
Marciano Serrano	President of the community “San Blas Alto” (TBO)
Filemón Paredes	President of the community “Tambillos” (TBO)
Pastor Cáceres	President of the community “Pampas del Carmen” (TBO)
Edonia Cáceres	Peasant health promoter of the community “San Juan de Horcas” (TBO)
Williams Colque	Technical Consultant of the Danish Cooperation DANIDA

Porfirio Campos Padilla	President of the Vigilance Committee

MUNICIPALITY OF HUACARETA

Name	Position
Juan Carmelo Miranda	Mayor of Huacareta
Sra. Pardo	Councillor
Julian Díaz	Councillor
Salvio Guzman	Councillor
Hector Panoso Soraire	President of the vigilance committee
Bonifacio Díaz	Guaraní Captain of the community “Ipati” (TBO)
Benita Balderas	Guaraní leader of the community “Anguaguazu” (TBO)
Justina Pinto	Guaraní leader of the community “Villa Hermosa” (TBO)
David Cardona	Sub-major of “El Ingre”
Alberto Guzmán	Ex – big landholder

MUNICIPALITY OF VILLA VACA GUZMAN (MUYUPAMPA)

Name	Position
María Estela Valderas	Councillor.
Félix Flores Medina	Councillor
Ciro Espinoza	Secretary of the vigilance committee
Juan Manuel Barrientos	Technical assistant of the MG

MUNICIPALITY OF MACHARETI

Name	Position
Jacinta Ortega	Councillor of MG.
Fermín Romero	Member of the vigilance committee

MUNICIPALITY OF TOMINA

Name	Position
José Aragón	Mayor
Santiago Quenta	Councillor

MUNICIPALITY OF PADILLA

Name	Position
Miguel Angel Vega Belaunde	Councillor and former mayor in three mandates

MUNICIPALITY OF ALCALA

Name	Position
Hugo Morales	Accountant of the Municipal Government

SUCRE (Capital city of Chuquisaca and Bolivia)

Name	Position
Maria Cristina Mostajo	Chief of the Unit for Indigenous and Native People of the Prefectura of Chuquisaca
Lithzy Flores	Adviser of Gender and Organisational Issues of the Departmental Chamber of Peasant Economic Organisations
Valeriano Tarifa	Coordinator of the Departmental Chamber of Peasant Economic Organisations
Giel Ton	Adviser of the National Peasant Economic Organisation
Miguel Morales	Director of the NGO “Consultora Sur”
Ramiro Guerrero	Director of the TIERRA Foundation in Chuquisaca
Lino Flores	Chief of the Unit of Municipal Strengthening of the Prefectura of Chuquisaca.
Joel Alcocer	Responsible of Local Management, Holland Technical Cooperation (SNV)
Edmundo Zelada	Director of the Supporting Program for Rural Development of Chuquisaca (PADER).
Susana Rengel	Responsible of the Unity of Productivity and Competitiveness of the Prefecture of Chuquisaca
Gretel Bernal	Responsible of the Planning Department. Fundación ATAR
Rubén Julio Porcel Bernal	Departmental Operator of the PDCR-II Chuquisaca
Mario Torrez	ACLO: Regional Manager of Chuquisaca

Mario Cruz	Prefecture of Chuquisaca
Jhonny Reyes	Departmental Manager of CARE - Chuquisaca

LA PAZ (City where the national government is placed)

Name	Position
Diana Urioste	Executive Director of the NGO “Coordinadora de la Mujer”
Ana Quiroga	Member of the NGO “Coordinadora de la Mujer”
Cecilia Salazar	Lecturer and researcher at the Post-Graduate Program of the Major University of San Andrés-CIDES
Miguel Urioste	Executive Director of TIERRA Foundation
Peter Pfauman	Coordinator of Rural Development GTZ
Mauricio Riveros	National Director of Projects ACDI/CESO
María Julia Jimenez	Executive Director of CIOEC
Franz Barrios	Senator for Chuquisaca, National Leader of MBL
F. Quaglini	Vice - Minister of Decentralisation and Municipal Strengthening
Rafael Aramayo	Executive Director of Projects CESO-SACO
Javier Medina	Consultant of the German Technical Co-operation GTZ
Carlos Hugo Molina	Director of the NGO *Centro para la Participación y el Desarrollo Humano Sostenible*, CEPAD.
Shirley Chuquimia	Legal consultant of the Popular Participation Commission of the Honorable Cámara de Senadores
Carlos Fernández	Technical Supervisor of the Commission of Popular Participation and Decentralisation of the Camera of Deputes

ANNEXES FOR CHAPTER 3

Annex 3.1: Stages of the participative planning process

Acording to the Municipal Participative Planning Norm (Art. 20 – 31) the following six steps should, and mostly are applied in the 314 municipalities:

Preparation and organization of the process. Actors are called to agree on their participation and a correspondent schedule.

Elaboration of the municipal diagnosis. A social, geographical and economic diagnosis is elaborated based on the auto-diagnosis of the indigenous peoples and communities, peasant communities and neighbourhood organizations (TBOs).

Formulation of the development strategy. The development strategy or PDM is the link between national and departmental programs on one hand, and local demands on the other. Based on the diagnosis and communal demands, a priority is given to specific projects. The norm establishes that this priority should have the agreement of the TBOs.

Programming of Annual Plans. Every year, TBOs give priority to some projects contained in the PDM and, from them, Annual Plans (POA) are elaborated. Problems with this provision appear since in a sample of 101 municipalities only 34.2 percent of the projects registered in the POA correspond to the PDM (Unidad de Planificación Participativa, 1999, mentioned by the Ministry of Sustainable Development and Planning, 2000: 61). MGs present the POAS to the Ministry of Hacienda, including the approval of the Municipal Council and the conformity declaration of the vigilance committee, by December 31st every year.

Execution and administration. The execution is the ultimate responsibility of the municipal mayor, but the political decisions and departmental-municipal articulation are given to the municipal and departmental councils while the technical executions are the responsibility of the Departmental Directions of the Prefectures and the Technical Units of the Municipalities.

Follow-up, evaluation and adjustment. Annually, the major submits a report to both the vigilance committee and the municipal council and he prosecutes with changes if required.

Source: Municipal Participatory Planning Norm, 1997.

Annex 3.2: Relevant laws, supreme decrees and regulations of the descentralization process in Bolivia

DATE	LAW, SUPREME DECREE OR REGULATION, AND ITS OBJECTIVE
06/02/95	Political Constitution of the State Bolivia, adopts for its government, the democratic representative form (Art. 1). The people does neither deliberates nor governs, except by means of its representatives and authorities created by Law (Art. 4). The popular representation is exerted by means of the political parties (Art. 223).
24/02/04	Last amendments to the Political Constitution of the State It allows political parties, citizen groups or indigenous people to postulate directly candidates to President, Vice-President, Senators, Deputies, Constituyents, Councillors, Mayors and Municipal Agents in equal conditions (Art. 224, modified). It limits parliamentary immunity (Art. 52) and introduces the *Asamblea Constituyente* and the Referendum (Art. 232).
20/04/94	Law of Popular Participation (LPP) No 1551. **Objective**. To acknowledge and promote the popular participation process articulating indigenous communities, indigenous peoples, peasant communities and neighbourhood organisations on the legal, political and economic national life, improving the quality of life of Bolivian women and men, with a more equitable distribution and better administration of public funds. Strengthening economic and political tools towards a more perfect representative democracy, incorporating citizen participation, guaranteeing equality of opportunities for women and men (Art. 1).
09/09/94	SDD No 23858 **Objectives**: To regulate the application of the LPP and the functioning of the TBOs. To regulate the relation between TBOs and public administration.
28/07/95	Law of Administrative Decentralisation (LDA) No 1654. **Objective**. To establish the organisational structure of the executive power at departmental level and the economic and financial resources regime, and to improve the efficiency and efficacy of the Public Administration, close to the population (Art. 2).
29/12/95	SD No 24206: Regulations on the LDA. **Objective**: Organisation of the Executive Power at Departmental level. To regulate the structure and functioning of Prefectures.
20/12/96	SD 24447: Complementary Regulation on the PPL and ADL **Objective**: To complement previous laws and regulations regarding Popular Participation and Decentralisation processes
23/05/97	SR N0 216961: Municipal Norm of Participative Planning (NPPM). **Objective**: To regulate the process of municipal development planning and the roles and functions of the involved actors.
28/10/99	Law of Municipalities. No 2028 **Objective**: To regulate the municipal regime of the Unitarian Bolivian State by explicating the organisation and attributes of the municipality and MG as well as the social control to the MG (Art.1, 2).
10/05/01	The Bolivian Poverty Reduction Strategy (EBRP) The paper was the result of the process Dialogue 2000 towards reducing poverty "by means of specific economic and social policies, placing particular emphasis on the neediest segments of the population, providing them with better access to markets, improving their capabilities, supplying them with basic public services, increasing their social protection and security, promoting citizen participation and equal opportunities."
31/07/01	Law of National Dialogue 2000. No 2235 **Objective**: To establish the main lines of the Poverty Reduction Strategy, to define criteria of distribution of the Program of Poverty Alleviation resources, to determine procedures of the National Policy of Compensation and to establish mechanisms for the social control of the resources, programs and strategies towards Poverty Reduction.
02/04/02	SD No 26564: Participation and social control **Objective**: To regulate the mechanisms and procedures in order for the National Mechanism of Social Control to exercise the right to know, supervise and evaluate the results and impact of public policies, participative process in decision-making and the right to access to information.
21/11/02	Law of Universal mother-infant insurance. No 2426 **Objective**: To create a free, universal insurance to pregnant women till 6 months of pregnancy and to children under 5 years old.

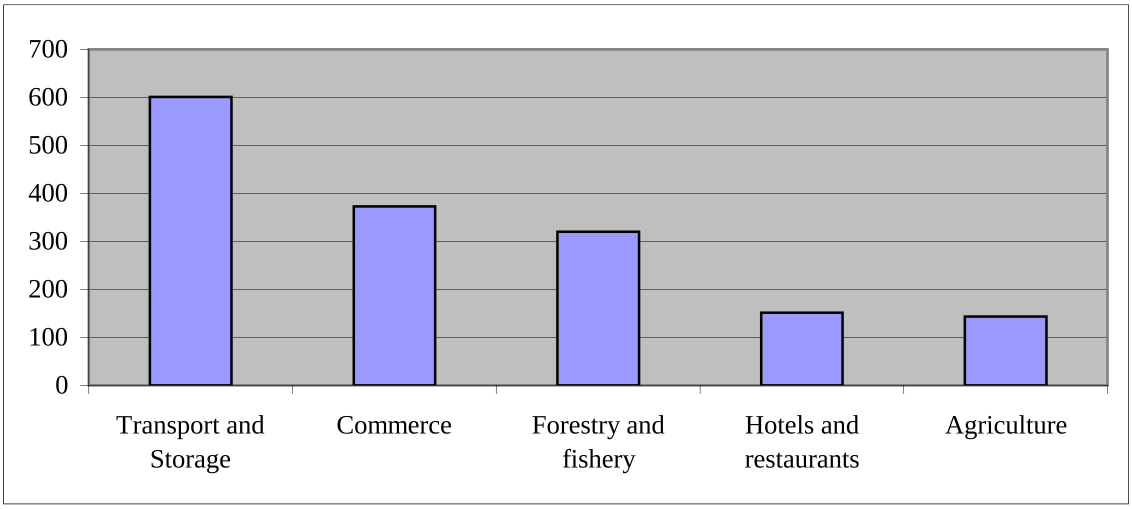
25/06/99 21/11/02	Law No 1983 and 2268 of Political Parties **Objective**: To regulate the organisation, functioning, extinction and relations within them and with the Society and the State.
10/10/02	SD No 26811: *Tarjeta Empresarial* (Enterprise Card). **Objective**: To regulate the Enterprise Card and the participation of associations, societies of small producers, economic peasant organisations, artisan economic organisations, micro and small rural and urban enterprises who supply goods and services, in their relation to the provisions to public entities (Art. 1).
21/12/02	Supreme Decree on the Use of Resources denominated "beyond HIPC II". No 26878
16/05/03	SD No 27040: Hiring of Goods, Works, General Services and Consultancies (*Contrato de Bienes, Obras, Servicios Generales y de Consultoría*). **Objective**: To establish the regulations of the following processes of the Administration System of Goods and Services: Contract of goods, public works, general services, consultant services and all their derivatives.

These are only legal regulations with validity. Previous versions have been derogated or some articles have been abrogated. Example: the decree 27040, abrogates el DS No 26685 of 5th of July de 2002 referred to the hiring of goods, general works, services and consulting services within the framework that establishes the Management System of Goods and Services in the municipalities. The SD 25964 abrogated the Supreme Resolution Nº 216145 of August 3th of 1995 of basic norms of acquisitions of goods and services. The SD No 26811 abrogates the SD No 266628 of May 14th 2002, both referred to the Enterprise Card. The S.D. No 26878 of 21/12/2002 abrogates the SD26537 of 06/03/2002, that authorized the General Treasure offices to use the resources "beyond the HIPC II" in the same way that the resources of the "HIPC II" (through the Municipalities and Departments). Law 2028 of Municipalities, abrogates the Organic Law of Municipalities of 1985, and modifies Art. 10 and 11 of Law 1702 (extension of LPP) and others.

Till the end of the last governmental period (1997 – 2002) eight laws, 18 Supreme Decrees and one Supreme Resolution regulated directly or indirectly the process of decentralisation in Bolivia. From the 6th of August 2002 to October 2003, at least two laws and three Supreme Decrees directly related to the decentralisation process were sanctioned. There are other three laws and six Supreme Decrees regulating the financial, education and health systems in which municipalities are directly involved. On the other hand, to October 1st 2003, there were fourth first drafts considering direct regulations on municipality issues: Law of Municipalities, a decree on the administrative municipal regulations, a decree on the Councils of Productive, Economic and Social Development (CODEPES), and a decree regulating the Local Directories of Health (DILOS).

ANNEXES FOR CHAPTER 4

Annex 4.1: Average income per month, according to economic activity in rural Chuquisaca*



* In Bolivianos, 7.5 Bs approx 1 dollar (2004).
Source: Based on the National Survey of Employment III, 1997: 545.

Annex 4.2: System of public transport in the high differentiated municipalities

Province and municipalities	Number of lines to transport passengers	Connecting to Santa Cruz and/or Sucre	With other provinces	Inside the province
HERNANDO SILES Monteagudo and Huacareta	12	6	6 + individual buses	6 + Individual buses + trucks
LUIS CALVO Muyupampa and Machareti	3	3	1	Individual buses + trucks

Source: Fieldwork, 2003.

Annex 4.3: Occupation of student's parents of the English Institute in Monteagudo

Students	Occupation of the parents		
	Professional	Entrepreneur*	Other
From 6-9 years old			
A	X	X	
B	X X		
C	X X		
D	X		X
E		X X	
F	X		X
G	X X		
From 8 to 13 years old			
A	X	X	
B	X	X	
C	X	X	

D	X	X	
E	X X		
F		X X	
G	X		X
H	X X		
I		X	
J		X X	
From 14 to 22 years old			
A		X X	
B	X		X
C	X		X
D	X		
E	X		
F	X		X
G	X X		
H		XX	
I		X	

* Small and medium entrepreneurs or merchants
Source: Fieldwork, 2003.

Annex 4.4: Monteagudo. Percentage of current expenditures and investments

Year	2000	2002	2003
Current Expenditures	8.33	14.06	10.5
Health	11.76	8.49	6.7
Education	21.21	14.93	7.9
Culture	0.22	0.19	0.1
Urbanism	4.70	8.18	3.6
Sport	0.52	0.91	0.5
Administrative Institutional strengthening (of MG)	4.21	0.69	0.1
Strengthening of Social organisation and social control	0.17	0.33	0.1
Strengthening of municipalities, mainly through mancommunities	1.23	0.32	0.1
Technical assistance and training (to MG and technical personnel. Includes national scholarships)	0.34	0.22	0.2
Transport, infrastructure (mainly roads)	38.18	25.80	35.5
Energy, agriculture, hydro resources and economic promotion.	3.15	11.88	27.3
Natural resources and environment	0.89	0.79	0.9
Potable water and basic sanity	3.88	10.38	2.0
Integral management services (women, children and human rights defence)	1.12	---	0.1
Non-assignable to any of the former (mainly pays of debts and bureaucracy)	--	2.93	2.9

Source: Based on Annual Municipal Budgets of Monteagudo.

ANNEXES FOR CHAPTER 5

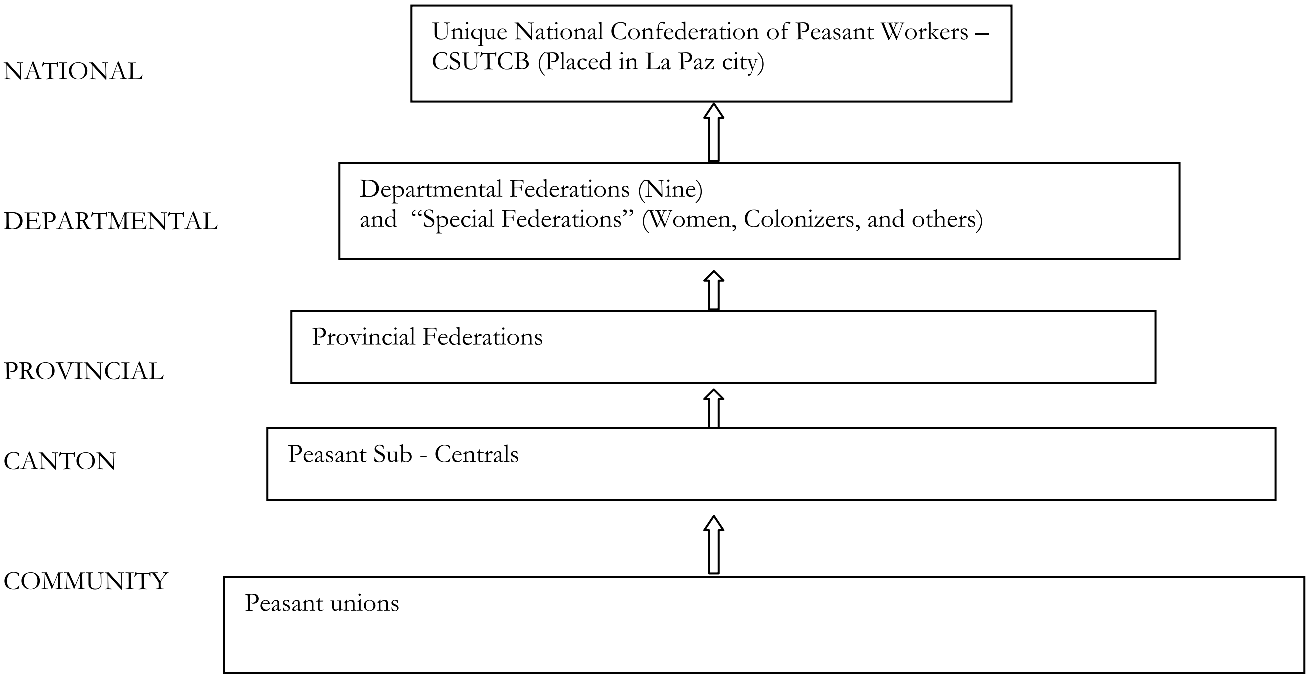
Annex 5.1: Sopachuy. Percentage of current expenditures and investments, per areas

Item	2001
Current expenditures	6.48
Health	5.41
Education	25.84
Culture	0.24
Urbanism and urban cadastre	3.34
Sport	0.24
Administrative institutional strengthening (of MG)	2.86
Strengthening of social organisation and social control*	0.65
Strengthening of municipalities, mainly through mancommunities	0.12
Technical assistance and training (to MG and technical personnel. Includes national scholarships)	2.31
Transport, infrastructure (mainly roads)	13.59
Energy, agriculture, hydro resources and economic promotion.	31.08
Natural resources and environment	1.74
Potable water and basic sanity	2.37
Integral management services (women, children and human rights defence)	0.67
Non-assignable to any of the former (mainly pays of debts and bureaucracy)	2.90

*17.8% of this item goes to peasant unions strengthening

Source: Based on Annual Municipal Budgets of Sopachuy.

Annex 5.2: Structure of peasant union organisations in Bolivia


NATIONAL
Unique National Confederation of Peasant Workers – CSUTCB (Placed in La Paz city)
DEPARTMENTAL
Departmental Federations (Nine) and "Special Federations" (Women, Colonizers, and others)
PROVINCIAL
Provincial Federations
CANTON
Peasant Sub - Centrals
COMMUNITY
Peasant unions

ANNEXES FOR CHAPTER 6

Annex 6.1: Approximate percentage of distribution of resources between rural and urban areas, estimation for 2001-2005.

Monteagudo

Program	Amount	% In Rural areas	% In Urban areas
Education*	1,438,335	67.0	33.0
Health*	306,733	71.7	28.3
Basic Sanitation	1,705,779	41.25	58.75
Urban infrastructure	1,065,704	0.0	100
Investments in irrigation	1,103,751	100	0.0
Local roads	7,234,232	95.0	5.0
Investments in Energy	737,559	98.0	2.0
Technical assistance	477,292	98.7	1.3
Natural resources and environment	992,929	62.2	37.8
General Average in %		70.42	29.58

Sopachuy

Program	Amount	% In Rural areas	% In Urban areas
Education*	380,275	80,10	19,90
Health*	165,500	89,40	10,60
Basic Sanitation and household improvements	870,345	96,14	3,86
Urban infrastructure	419,720	-	100,00
Investments in irrigation	766,268	100,00	-
Local roads	1,183,390	100,00	-
Investments in Energy	95,585	100,00	-
Technical assistance	369,825	94,80	5,20
Natural resources and environment	76,037	100,00	-
General Average in %		84.5	15.5

*The projects that are directed towards the two areas urban and rural are not included in the calculation of the percentage. Bureaucratic and institutional expenditures are not considered, since they are aimed to benefit the municipality as a whole.

Source: Based on the summary of investments PDM 2001-2005 Municipal Governments of Monteagudo and Sopachuy.

Annex 6.2: Evaluation of the performance of authorities by TBO leaders (from 0 to 7)

Authorities and representatives	Monteagudo		Sopachuy	
	Men	Women	Men	Women
VC members	3.3	2.3	3.8	4.4
Councillors	3.0	3.0	3.9	4.2
Mayor	4.0	3.0	3.5	4.3
Prefect	2.5	2.5	3.0	2.3
Senator and Deputies	3.7	3.3	2.7	1.4
President	3.1	2.3	2.4	2.8

Source: Workshops in Monteagudo, May 10th and Sopachuy, May 13th 2003.

Annex 6.3: Change of the status of some CORDECH's programs in the region, after the LPP and LDA

Regional development programs before of LPP and LDA	Change	Current situation
Planning Unit	Became the Unit of Institutional Strengthening for the municipalities of Monteagudo and Huacareta in 1994	Non existent
4 Porcine establishments Zapallar, La Huerta, Mesa Verde and Bañado	Out of use	The infrastructure passed to the respective municipalities, the last one was handed over the regiment of the army.
Component Extension and Credit	They became part of the "Programa Unificado" under a common directory comprised by members of the MG of Monteagudo, Prefecture, Civic Committee, FEDEAGRO, Peasant Federation and, then, CORDECH.	Now Extension and Credit Project. Still functioning, but since 1997 the MG and Prefecture do not contribute with resources.
Porcine establishment Sauces		Now Production of Porcine Genetic Material Project. Still working but with irregularities.*
Fruit centre La Esmeralda		Research and Production of Plants Project. Still working under the MG of Monteagudo.
Plant for Balanced Food	Attempt to privatise, without success	Partial use for the Porcine Genetic Material Project
Laboratory of Diagnosis	Paralysed	Partial used by the Extension and Credit Project
Veterinary pharmacies	Paralysed	Non existent
Centre of Maize Improvement	Stop functioning	Infrastructure under property of the Municipality of Muyupampa. Still working but with less resources.
Agricultural Development Project Macharetí	Reduction of personnel. Waiting for a new technical structure of municipal dependency.	No-data available
Centre of Bovine Improvement and Research El Salvador	Reduction of personnel. It become to be the "Experimental Centre Chaco"	Still working as self-managed but under municipal dependency.
Centre of Bovine Improvement Iboperenda	Stop functioning	Infrastructure under property of the Municipality of Muyupampa. Still working with serious limitations.
Departmental Financing Found (FONDESA)	Stop functioning	Non-existent
Road Program (Programa vial)	Cancelled	Machinery given as Comodato to the municipalities of Monteagudo and Huacareta

Source: Fieldwork, 2003.