

CRITICA / REVIEW

Oscar Olivera in collaboration with Tom Lewis. *¡Cochabamba! Water War in Bolivia!*
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Neoliberal Restructuring in Bolivia

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In October 1999, bowing to pressure from the World Bank and the Inter-American Development Bank, Bolivia passed a new law allowing privatization of water supplies. Shortly after, the city of Cochabamba granted a contract to the *Aguas de Tunari* consortium for a badly needed water development project in the Cochabamba valley. The city's population had grown enormously, and the municipal government had not been able to keep up with local demand from domestic users or from peasant farmers reliant on customary use of irrigation water. Many communities had dug their own wells and established local water cooperatives. The new law and the contract allowed the consortium (the majority interest holder of which was a subsidiary of Bechtel Corporation) to raise local water users' rates, and to make illegal any private water collection schemes, in essence seizing the water rights of these associations.

By April 2000, discontent over this privatization of the city's water supply erupted into massive popular demonstrations. A successful alliance between urban workers, rural peasant irrigators, members of local water collectives, students, and ordinary Cochabambinos was formed calling itself the *Coordinadora en Defensa de Agua*

y *Vida* (Coalition in Defense of Water and Life). The *Coordinadora* staged marches and acts of resistance like burning water bills *en masse* in the public plaza. Then, the conflict escalated as protestors took to the streets. Thousands fought the police across the barricades, dozens were wounded, and one killed. Finally, the government backed down and cancelled the contract with the consortium. This book recounts the story of this “first great victory against corporate globalization in Latin America” from the perspective of Oscar Olivera, the spokesperson for the *Coordinadora* and winner of the Goldman Environmental prize. The book also contains articles by activist intellectuals, including an introduction by Vandana Shiva, and an interview with a popular representative to the new water council.

Olivera’s main argument is that privatization of water is part of a wider neoliberal restructuring of Bolivia which is eroding the social networks of the working class and giving decision-making power to a tiny elite. The water war was the response of a public tired of the assault on its rights and the robbery of its natural resources. As Olivera describes it,

In simple terms, democracy for us answered – and still answers – the question who decides what? A tiny minority of politicians and businesspeople, or we ourselves, the ordinary working people? In the case of Cochabamba’s water, we wanted to make our own decisions. That was what democracy would mean in practice, and that was what the *Coordinadora* set out to accomplish (29).

The most important contribution of the book lies in the *testimonio*-style account Olivera gives of the water war, the reasons leading up to it, and the revolutionary potential it reveals.

Olivera's story is grounded in his strong class identification. He has worked in a shoe factory in Cochabamba for twenty five years, and is a leader of the *Fabriles* (factory workers) union. While he asserts that he is not a Marxist, the arguments he makes about neoliberalism, privatization, and political struggles are heavily influenced by this history. As a result, like most other political *testimonios*, (Domitila Barrios de Chungara's famous 1978 account of Bolivian mine workers' struggles, for example), this book takes a somewhat propagandistic tone. Nevertheless, *¡Cochabamba! Water War in Bolivia!* is a very useful primary historical document, a day-by-day account of the conflict by one of its main protagonists. Olivera's ideological biases are important social facts for anyone interested in what happened and why the people of Cochabamba banded together at this particular moment. It is an interesting account of social mobilization. Olivera describes the relations between the *Fabriles* federation and the other social movements with which it allied, most notably the federation of *Regantes* (peasant irrigators) and explains how and why the groups began to organize. He details the mobilizations, the strikes, the threats to the organizers, and, interestingly, the negotiations with the city and the prefecture. Most interesting, of course, are the descriptions of the courageous acts of the protesters themselves, as people from all over the city came together to support the protestors. Even middle class women left bowls of vinegar outside their gates to use to combat the tear gas sprayed by the police. He paints a compelling picture of a key moment in Bolivia's history. This alone makes the book worth reading.

However, Olivera and the other contributors do not only describe this as a local conflict over water. Rather, they tie this directly to the history of neoliberal restructuring in Bolivia, which began with the New Economic Policy in 1985. Since then, successive

Bolivian governments have privatized many of the most important state-owned businesses, including the national mining corporation, the oil and gas company, telecommunications, and the railroads. Tracing this history, Olivera argues that Bolivia has suffered a loss of sovereignty by turning itself into “a servant of big capital.” He concludes that “one and only one goal defined the purpose of neoliberalism in Bolivia: to intensify the exploitation of our natural resources in order to increase corporate profits”(14). The results have been devastating for the Bolivian people, who have borne the brunt of the costs of these reforms and the accompanying crushing debt service: slashed social spending, high unemployment, a disastrous pension reform scheme, and the fragmentation and destabilization of social movements. The water war was the response of people who felt the government had stripped them of their material inheritance and natural resources, and commercialized the conditions for basic social reproduction (71). Even the name of the *Coordinadora* reflects that, says Olivera. During the organizing assembly, one peasant *compañero* said, “Let’s not just have ‘water’ in our name, but ‘life’ as well, because they are taking everything away from us. All that’s left to us is the water and the air” (27). The connections Olivera makes between neoliberalism and popular discontent are critical to understanding the mobilization of Cochabambinos. Many scholars and researchers have reached similar conclusions about the costs of neoliberalism in Bolivia (see Gill 2000, Arze and Kruse 2004, Cedla 2003, Aguirre Badani 2000, Bailey and Knutson 1987, Postero 2004). The accompanying article by political sociologist Álvaro García Linera provides a more scholarly approach to the matter, giving additional evidence to support Olivera’s argument.

While central to an understanding of the struggle over water in Cochabamba, these arguments about neoliberalism and privatization are not new. They have been the basis for most of the other accounts of the water war (See e.g. Assies 2003, Finnegan 2002), as well as analyses of the ongoing social conflict in Bolivia (Gill 2000). What is perhaps the most interesting contribution of the book, however, is the argument by both Olivera and García Linera that the alliances brought together in the water war form a new kind of civil society organization of resistance. They argue that traditional corporatist relations between the state and popular sector have been replaced in the age of privatization and transnational corporate investment. Fordist models of accumulation, in which large factories and mines brought together materials and labor, have given way to dispersed models of production, which include flexible labor relations and decentralized production processes. This has led to social disintegration and material fragmentation of the mass of workers, and the erosion of the culture of collective identity that came from belonging to a “community of destiny” that marked the union movement (69). This has made possible the emergence of new forms of social unification and collective action, rooted in local issues and concerns, which were evident in the Cochabamba water war (71). This new form, which García Linera calls the “multitude-form,” is multifaceted and complex, and relies on pre-existing forms of territorial organization such as neighborhood associations, local peasant or craft unions, or professional associations.

This “new social movements” argument is compelling because it seems to describe the situation of popular unrest that has rocked Bolivia in recent years. Analysts are still theorizing the October 2003 uprising that forced the resignation of Bolivia’s president, Gonzalo Sánchez de Lozada. In both the La Paz/El Alto protests in 2003 and

the water war of 2000, the social movements responsible evaded easy characterization. Was the October 2003 uprising an Indian revolution, as many of the news media reported? Was this the response of the poor, that is a class-based mobilization? Most of us who have been thinking about this acknowledge the complexity of the identities of the protagonists who claim to be representing *el pueblo boliviano* (the Bolivian people) (Postero 2004, Forthcoming; Albro Forthcoming; Patzi 2003; Lazar 2004). In the case of El Alto, the activists were at the same time Aymara Indians, urban poor, members of neighborhood associations, and often trade unionists. The uprisings there defied all corporatist models, as the great majority of the activism started from the “ground – up,” where neighborhood activists acted without leadership.

So, García Linera’s argument is appealing. Yet, there are some obvious points of contention. One could ask, for instance, how strong the Fordist model really ever was in Bolivia, since it appeared principally in the mining sector, which employed a fairly small number of workers. One could also disagree with his conclusions about the weakness of the labor sector. While the labor movement has taken some severe blows in the last twenty years (the most serious of which was the closure of the mines and the “relocation” of the majority of the miners), labor organizations such as trade and peasant unions, as well as small producers’ associations continue to be extremely important in the lives of Bolivian workers. Nevertheless, the arguments of Olivera and García Linera do capture an important fact of Bolivian political economy: the end of the post-1952 state. There has, in fact, been a radical transformation of relations between the state and social organizations. As researcher Tom Kruse suggests, after the 1952 revolution, Bolivia was characterized by a state-led model of capitalist development, with a particular form of

corporatist relations. It was unstable because of the overriding poverty, and it was volatile because the state was so weak and because the social organizations had an extremely well-developed capacity to organize, make demands upon the state, and eventually even oust the military dictatorship (Kruse, personal communication). This model has been superceded by a neoliberal state which has retreated from this social agenda, tried to abolish corporatist relations with popular sectors, and focused instead on attracting foreign capital (Laserna 2001). Thus, it is no surprise that as new forms of state-subaltern relations take hold, new forms of identity and new kinds of resistance are also emerging.

What remains is more serious ethnographic research to see how this compelling argument plays out. This would be the next step to seeing what this “multitude” is made of and how the multiple factors might interact with it. Anthropologist Sian Lazar’s work in El Alto neighborhoods is the kind of research that might give us more evidence to evaluate the kinds of organizational structures that are emerging in Bolivia’s poor communities. She investigates the different organizational bases and collective identities that contributed to *Alteños*’ mobilization in 2003. She argues that rather than a purely spontaneous upsurge of anger, it was built on well-established patterns of political behavior by corporate social groupings such as neighborhood organizations and street vender associations (Lazar 2004). Looking into the details of these relations might also help us avoid romanticizing about these new forms of social organization, which Olivera and friends occasionally fall into. The book suggests that the *Coordinadora* is a model for the struggles of ordinary people. This may have been the case at the juncture of events in 2000, but one of the sad legacies left out of the book is the fact that the

Coordinadora has not been able to exercise any long-term power in Cochabamba. The victories of the moment, which were substantial – the abrogation of the contract and changes to the water legislation – have not led to sustained political organizing or even to a substantial improvement in the water supply for poor barrios. (And let us not forget the claim filed by Bechtel against Bolivia in the World Bank’s Center for Investment Disputes for \$US 25 million dollars, which is still pending.) While it is perhaps unreasonable or unfair to expect social movements to solve problems of public administration, the Cochabamba case does clearly delineate the challenges incremental victories pose to current social movements: how do you manage the victories?

What are the lessons, then, from Cochabamba? It may be that people can successfully protest neoliberal policies in particular conjunctures, but the long-term struggles for social justice will be much more difficult and complex. Even Olivera admits this. In evaluating the meaning of the water war, he recounts a discussion he had with a family while the barricades were winding down. A woman asked him, “*Compañero*, now that the water is still going to be ours, what have we really gained? My husband will still have to look for work... Even if they give us the water for free, our situation still won’t have gotten better. We want social justice, we want our lives to change” (48). As Tom Kruse concludes, “while you can’t drink the rhetoric of anti-globalization, struggles like the water war are vital, and the only hope for rebuilding a progressive agenda.” This volume describes one successful moment in a long process. Perhaps savoring this “victory” will animate people for the complex struggles ahead.

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