

# Undermining Bolivia

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A thick fence, surveillance cameras, and armed guards protect the U.S. Embassy in La Paz. The embassy is a tall, white building with narrow slits of windows that make it look like a military bunker. After passing through a security checkpoint, I sit down with U.S. Embassy spokesman Eric Watnik and ask if the embassy is working against the socialist government of Evo Morales. "Our cooperation in Bolivia is apolitical, transparent, and given directly to assist in the development of the country," Watnik tells me. "It is given to benefit those who need it most."

From the Bush Administration's perspective, that turns out to mean Morales's opponents. Declassified documents and interviews on the ground in Bolivia prove that the Bush Administration is using U.S. taxpayers' money to undermine the Morales government and coopt the country's dynamic social movements-just as it has tried to do recently in Venezuela and traditionally throughout Latin America.

Much of that money is going through the U.S. Agency for International Development (USAID). In July 2002, a declassified message from the U.S. embassy in Bolivia to Washington included the following message: "A planned USAID political party reform project aims at implementing an existing Bolivian law that would . . . over the long run, help build moderate, pro-democracy political parties that can serve as a counterweight to the radical MAS or its successors." MAS refers to Morales's party, which, in English, stands for Movement Toward Socialism.

Morales won the presidency in December 2005 with 54 percent of the vote, but five regional governments went to rightwing politicians. After Morales's victory, USAID, through its Office of Transition Initiatives, decided "to provide support to fledgling regional governments," USAID documents reveal.

Throughout 2006, four of these five resource-rich lowland departments pushed for greater autonomy from the Morales-led central government, often threatening to secede from the nation. U.S. funds have emboldened them, with the Office of Transition Initiatives funneling "116 grants for \$4,451,249 to help departmental governments operate more strategically," the documents state.

“USAID helps with the process of decentralization,” says Jose Carvallo, a press spokesperson for the main rightwing opposition political party, Democratic and Social Power. “They help with improving democracy in Bolivia through seminars and courses to discuss issues of autonomy.”

“The U.S. Embassy is helping this opposition,” agrees Raul Prada, who works for Morales’s party. Prada is sitting down in a crowded La Paz cafe and eating ice cream. His upper lip is black and blue from a beating he received at the hands of Morales’s opponents while Prada was working on the new constitutional assembly. “The ice cream is to lessen the swelling,” he explains. The Morales government organized this constitutional assembly to redistribute wealth from natural resources and guarantee broader access to education, land, water, gas, electricity, and health care for the country’s poor majority. I had seen Prada in the early days of the Morales administration. He was wearing an indigenous wiphala flag pin and happily chewing coca leaves in his government office. This time, he wasn’t as hopeful. He took another scoop of ice cream and continued: “USAID is in Santa Cruz and other departments to help fund and strengthen the infrastructure of the rightwing governors.”

In August 2007, Morales told a diplomatic gathering in La Paz, “I cannot understand how some ambassadors dedicate themselves to politics, and not diplomacy, in our country. . . . That is not called cooperation. That is called conspiracy.” Bolivian Vice President Alvaro Garcia Linera said that the U.S. Embassy was funding the government’s political opponents in an effort to develop “ideological and political resistance.” One example is USAID’s financing of Juan Carlos Urenda, an adviser to the rightwing Civic Committee, and author of the Autonomy Statute, a plan for Santa Cruz’s secession from Bolivia.

“There is absolutely no truth to any allegation that the U.S. is using its aid funds to try and influence the political process or in any way undermine the government,” says State Department deputy spokesman Tom Casey. USAID officials point out that this support has gone to all Bolivian governors, not just those in the opposition. Despite Casey’s assertion, this funding has been controversial. On October 10, Bolivia’s supreme court approved a decree that prohibits international funding of activities in Bolivia without state regulation. One article in the law explains that Bolivia will not accept money with political or ideological strings attached.

In Bolivia, where much of the political muscle is in the streets with social organizations and unions, it’s not enough for Washington to work only at levels of high political power. They have to reach the grassroots as well. One USAID official told me by e-mail that the Office of Transition Initiatives “launched its Bolivia program to help reduce tensions in areas prone to social conflict (in particular El Alto) and to assist the country in preparing for upcoming electoral events.”

To find out how this played out on the ground, I meet with El Alto-based journalist Julio Mamani in the Regional Workers’ Center in his city, which neighbors La Paz.

“There was a lot of rebellious ideology and organizational power in El Alto in 2003,” Mamani explains, referring to the populist uprising that overthrew President Gonzalo Sánchez de Lozada. “So USAID strengthened its presence in El Alto, and focused their funding and programs on developing youth leadership. Their style of leadership was not based on the radical demands of the city or the horizontal leadership styles of the unions. They wanted to push these new leaders away from the city’s unions and into hierarchical government

positions.”

The USAID programs demobilized the youth. “USAID always took advantage of the poverty of the people,” Mamani says. “They even put up USAID flags in areas alongside the Bolivian flag and the wiphala.”

It was not hard to find other stories of what the U.S. government had been doing to influence economics and politics in Bolivia. Luis Gonzalez, an economics student at the University of San Simon in Cochabamba, describes a panel he went to in 2006 that was organized by the Millennium Foundation. That year, this foundation received \$155,738 from the National Endowment for Democracy (NED) through the Center for International Private Enterprise, a nonprofit affiliate of the U.S. Chamber of Commerce. Gonzalez, in glasses and a dark ponytail, described a panel that focused on criticizing state control of the gas industry (a major demand of social movements). “The panelists said that foreign investment and production in Bolivia will diminish if the gas remains under partial state control,” says Gonzalez. “They advocated privatization, corporate control, and pushed neoliberal policies.”

That same year, the NED funded another \$110,134 to groups in Bolivia through the Center for International Private Enterprise to, according to NED documents, “provide information about the effects of proposed economic reforms to decision-makers involved in the Constituent Assembly.” According to documents obtained through a Freedom of Information Act request by muckraker Jeremy Bigwood, the NED also funded programs that brought thirteen young “emerging leaders” from Bolivia to Washington between 2002 and 2004 to strengthen their rightwing political parties. The MAS, and other leftist parties, were not invited to these meetings.

The U.S. Embassy even appears to be using Fulbright scholars in its effort to undermine the Bolivian government. One Fulbright scholar in Bolivia, who wished to remain anonymous, explained that during recent orientation meetings at the embassy in La Paz, “a member of the U.S. Embassy’s security apparatus requested reports back to the embassy with detailed information if we should encounter any Venezuelans or Cubans in the field.” Both Venezuela and Cuba provide funding, doctors, and expertise to support their socialist ally Morales. The student adds that the embassy’s request “contradicts the Fulbright program’s guidelines, which prohibit us from interfering in politics or doing anything that would offend the host country.”

After finding out about the negative work the U.S. government was doing in Bolivia, I was curious to see one of the positive projects USAID officials touted so often. It took more than two weeks for them to get back to me—plenty of time, I thought, to choose the picture perfect example of their “apolitical” and development work organized “to benefit those who need it most.”

They put me in touch with Wilma Rocha, the boss at a clothing factory in El Alto called Club de Madres Nueva Esperanza (Mothers’ Club of New Hope). A USAID consultant worked in the factory in 2005-2006, offering advice on management issues and facilitating the export of the business’s clothing to U.S. markets. In a city of well-organized, working class radicals, Rocha is one of the few rightwingers. She is a fierce critic of the Morales administration and the El Alto unions and neighborhood councils.

Ten female employees are knitting at a table in the corner of a vast pink factory room full of dozens of empty sewing machines. “For three months we’ve barely had any work at all,”

one of the women explains while Rocha waits at a distance. "When we do get paychecks, the pay is horrible." I ask for her name, but she says she can't give it to me. "If the boss finds out we are being critical, she'll beat us."

Benjamin Dangl is the author of "The Price of Fire: Resource Wars and Social Movements in Bolivia." He received a 2007 Project Censored Award for his coverage of U.S. military operations in Paraguay.

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