

# Planning and Decentralization

Contested spaces for public action  
in the global south

Edited by

Victoria A. Beard, Faranak MirafTAB  
and Christopher Silver

Chapter 5

## New spaces, new contests

Appropriating decentralization for political change in Bolivia

*Benjamin Kohl and Linda Farthing*

The United States will use this moment of opportunity to extend the benefits of freedom across the globe. We will actively work to bring the hope of democracy, development, free markets, and free trade to every corner of the world.

(Bush 2002)

For forty years, political and administrative decentralization has been integrated as a core component of the global neoliberal ideology described above by US President George W. Bush (Kohl and Farthing 2006; Peck 2001; Peet 2003). As a result, both high- and low-income countries have transferred planning and administrative responsibilities from national to subnational governments (Oyugi 2000; Samoff 1979; Wunsch 2001). These policies are based on the assumption that decentralized governments are not only more efficient and less corrupt than centralized ones, but also more democratic (World Bank 1997, 2000). In fact, expanding citizen participation in planning is only one of several potential outcomes of decentralization, as experience has demonstrated around the world (Huerta Malbrán *et al.* 2000; Hurchcroft 2001; Oxhorn, *et al.* 2004; Schönwälder 1997; Wanyande 2004).

Some critical scholars argue that the focus on formal democracy aims to ensure the political stability that global markets require to operate successfully within national economies. They contend that the focus on formal democratic processes channels citizens' demands to limited local concerns and a tepid and tidy range of choices expressed at the ballot box (Gill 2002; Kohl 2002; Robinson 1996, 2003; Slater 1989). These scholars also concur, however, that under certain conditions decentralization programs can have the unintended result of opening new political spaces to broaden local control and contest neoliberalism. In Bolivia, decentralization legislation written in 1994 took place in a context of long-established trajectories of political resistance and contributed to the conditions that culminated in the December 2005 election of coca grower Evo Morales, a self-proclaimed socialist and the country's first indigenous president. These events did not take place in isolation but within a context of a growing economic and political crisis after 1999, which was triggered by:

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- (a) declining government revenues after the privatization of the hydrocarbons company;
- (b) the forced eradication of coca; and
- (c) declining remittances from the 17 percent of Bolivians working in crisis-torn Argentina (Kohl and Farthing 2006).

The power of social movements in Bolivia has been well reported since the 2000 Cochabamba water war (Albro 2005; Assies and Salman 2003; Olivera 2004; Shultz 2003). Hylton and Thomson (2005) point out that these movements are built on legacies of resistance in the Andes dating from the Spanish Conquest. The formal political side of the process that laid the groundwork for Morales' election in 2005, however, is not as well understood. In this chapter we address this gap, demonstrating how, in a context of long-standing popular mobilization, political decentralization increased local participation in planning and facilitated the transformation of a contentious social movement (Tarow 1998) into a dominant political force.

To detail the success of these counter-hegemonic movements, we draw on the social mobilization tradition of planning theory. We contend that, with its emphasis on transformative and structural change in capitalism through direct collective action from below, it provides the most appropriate lens to comprehend what has occurred in Bolivia (Friedman 1987: 83). In a poorly integrated country, planning has never been the exclusive domain of the state; rather, as social mobilization theory proposes, planning manifests as a form of politics (Friedmann 1987). The primacy of social mobilization in determining the country's course is exemplified in Bolivia's 500 years of steadily recurring cycles of contention, mostly under authoritarian regimes, as an impoverished, indigenous majority has struggled against a small, wealthy elite of European origin. Its salience has only increased in the formally democratic neoliberal era since 1985, with the state retreat from an active role in planning, shifting the locus in local decision-making to civil society (Douglass and Friedmann 1998). Therefore, we squarely place Bolivia's story within the insurgent planning histories described by Holston (1998) and, following Friedmann (1987: 250), we define planning "as an activity in which knowledge is joined to action in the course of social transformation."

Two key interrelated legal processes facilitated the political rise of counter-hegemonic movements. First, the 1994 LPP, along with the related Law of Administrative Decentralization (LAD), created over 250 new, small and largely indigenous and rural municipalities with planning oversight delegated to local organizations. These newly formed municipalities required thousands of council representatives and, as the indigenous and urban poor increasingly assumed office, they acquired some of the formal skills associated with Western-style government. This change fundamentally altered the discourse on the rights and roles of citizens in areas long abandoned by the state (Kohl 2003b). Second, changes in electoral

laws in 1996 and 2004 led to greater representation of mostly male indigenous and *campesino* leaders in the national congress, which allowed them to transform traditional peasant and neighborhood organizations into formal political parties.

To clarify the changes decentralization has wrought in Bolivia, we briefly consider the nexus between decentralization and broader political participation as reflecting an ideological process with uneven results in practice. We then turn to the Bolivian experience to reveal the unintended consequences of the efforts of multinational institutions in collusion with national elites to construct limited, technocratic and contained citizen participation in planning. We contend that Bolivia provides an excellent example of the social mobilization tradition of planning theory, demonstrating how well-organized social movements have proven capable of appropriating the spaces decentralization provides. The Bolivian case is considered in comparative perspective in order to draw conclusions that suggest which factors may be critical for social movement success.

### Decentralization as a strategy for increasing political participation

During the 1990s, decentralization reemerged as part of the "new development paradigm," which emphasized "community development, deregulation, privatization, minimal government, popular participation and flexible forms of foreign aid" (Werlin 1992: 223). Oxhorn (2004) has discovered a strong tendency in the most recent wave of decentralization policies towards a normative assumption that directly links decentralization with improved electoral democracy. Others argue that this assumption reflects an ideological faith in market democracy rather than either rigorous analysis or well-articulated concepts.

Such ideological assumptions are evident in an eighty-country study conducted by Hutter and Shah (1998) that measures the degree of citizen participation only by the extent of political freedom—defined as voting—and stability—defined as democratic transitions of power. Huerta Malbrán *et al.* (2000: 225) identified similar narrow and technocratic approaches to defining citizen participation in their study of fifteen municipalities in Chile, Colombia and Guatemala. Schönwälder (1997) describes this type of participation in planning as a means to an end, the end being to improve the efficiency of development projects. Huerta Malbrán *et al.* concur and argue that, within the framework of neoliberalism, increased citizen participation is "more directed to transforming the community and citizens into project managers, administrators and public works builders than into political actors with decision-making power" (2000: 225, our translation).

Oxhorn (2004) contends that contradictory theoretical tendencies have muddled analysis of decentralization's links to increased democracy and points out that, in fact, the empirical results tend to be ambiguous and contradictory. In studies from across the global south, scholars have found that decentralization is

often a top-down process that can disempower marginalized peoples and reinforce the control by local elites, particularly where civil society is fragmented and weak (Bienen *et al.* 1990; Huerta Malbrán *et al.* 2000; Nickson 1995; Wunsch 2001).

Critics of neoliberal decentralization stemming from the social mobilization tradition also note that any authentic increase in citizen participation in planning processes must serve to strengthen the participation of the poor and address issues of power (Schönwälder 1997; Slater 1989). Wanyande (2004) argues that, for political decentralization to be effective, citizens must have the skills to participate in decentralized structures and be willing to commit time to these projects, a condition that depends on the combination of political consciousness with a strong civil society.

Schönwälder (1997) notes that political decentralization presents poor-people's movements with the old dilemma either of maintaining autonomy by continuing to apply pressure from outside the system or of taking advantage of new political opportunities but risking cooptation. This predicament is at the heart of the challenge faced by the social movements that form the base of Bolivia's current government under the MAS (*Movimiento al Socialismo*—Movement toward Socialism): they must help the government they put into office maintain domestic peace while simultaneously demanding responses to their collective agenda.

### Bolivia's decentralization

Bolivia is about twice the area of France or Texas, is organized into nine departments and has a population of 9 million, the majority of whom are from Quechua and Aymara ethnic groups.<sup>1</sup> Since the mid sixteenth century when the colonial mines of Potosí produced more than half the world's gold and silver (Klein 1998), Bolivia's natural resource wealth has benefited global, rather than local, economic interests. As with many low-income countries, the successive resource booms driven by silver, quinine, rubber, tin and, most recently, coca (and its derivative cocaine) and hydrocarbons have done little to construct the foundations for continued economic growth (Sachs and Warner 1999). About half the population still lives as semi-subsistence farmers in rural areas, and these *campesinos*<sup>2</sup> provide much of the country's food.

Bolivia has the dubious reputation of having had the largest number of *coups d'état* in the world since winning independence from Spain in 1825 (Morales 1992). Although frequently controlled by military governments, since the return to civilian rule in 1982 the country has celebrated seven constitutional transfers in administration. (In 2003 and 2005, while presidents were forced to resign in the face of massive popular protests, the transitions followed constitutional procedures.) During the eighteen years of dictatorship prior to 1982, oppositional forces utilized what Beard (2003) calls covert planning to keep a sense of collective agency alive.

Between 1952 and 1985, the government served as the country's prime economic actor. The transition to a market-dominated economy followed the 1986 IMF structural adjustment package that introduced a neoliberal economic model (Sachs 1987). Structural adjustment led to a sell-off of government firms and, through 2003, a trend towards the privatization of basic services.

In a poorly integrated country where pressures for greater local autonomy have been constant, Bolivia's 1994 LPP reflected longstanding efforts by regional movements, on the one hand, to obtain more resources and decision-making power and, on the other, by NGOs, to shift resources to long-neglected rural communities (CIPCA 1991; Medina 1997; Molina Monasterios 1997). Grindle (2000) contends that, for the government in power, the goals were to: extend the reach of the state (a frequent outcome of decentralization programs); to develop a stronger sense of national identity; to control endemic corruption; and to confront regional (mostly urban) elites' demands for political autonomy by focusing resources in rural hinterlands, a strategy that Tulchin and Selce (2004) have discovered has been utilized by national elites elsewhere. It also reflects the notion of planning as a neutral technocratic process that serves as what Sandercock (1998: 24) calls an "ordering tool . . . a kind of spatial police."

Before the LPP, most of the country fell outside any municipal jurisdiction at all. Municipal elections, held every five years since 1987, were relatively unimportant before 1999 as they only took place in the nation's largest cities.<sup>3</sup> Municipal governments only encompassed towns and cities, whose formal boundaries were never registered nationally and often fluctuated in accordance with the interests of the mayor in office. The rural areas, from the perspective of the national government, were largely ignored and, in many areas, the local government was a community organization, whether a "traditional" *ayllu* or *capitanía* or a "modern" *campesino* union that operated independent of local municipalities (Albó *et al.* 1990; Ejdesgaard Jeppesen 2002: 36).<sup>4</sup> The structure of the national budget also reflected the centralization of formal government: 10 percent was targeted for the nine departmental capitals, with other towns and rural areas competing for funds from an additional 10 percent channeled through regional development corporations.

In 1994, the LPP and related legislation changed that. The laws combined the funds directed to departmental capitals and regional development corporations and allocated them to municipal governments on a per capita basis. In the process, the laws created over 250 new municipal governments, almost three-quarters of them "rural" municipalities with populations of less than 15,000 people. However, undoubtedly the principal innovation was the mandating of participatory planning and fiscal oversight by neighborhood and indigenous organizations (Kohl 2003a).

Prior to decentralization, candidates in countrywide elections needed affiliations with a national party, which led to political elites, typically from the largest

cities, exerting undue influence on local politics. Through the 1993 national elections, all members of both houses of congress were elected through a proportional representation system that drew on party lists to field candidates. This style of electoral politics kept indigenous rural and (increasingly indigenous) urban political actors from meaningful political participation. As a result, historically disenfranchised rural communities expressed their voices through the contentious politics associated with social movements.

That began to change owing to a 1996 electoral law that called for one-half of representatives to be chosen from district-level competitions, in a hybrid proportional-representation system following the German model (Domingo 2001).<sup>5</sup> This required political parties, which traditionally lacked formal rural organizations, to field district-level candidates beginning in 1997.

### The opening of political space

The LPP led to a major political accomplishment: for the first time, the government formally recognized traditional organizations, including urban neighborhood organizations, pre-Hispanic indigenous organizations (*ayllas* and *capitanías*) and modern *campesino* unions, and mandated a formal role for them in local planning.<sup>6</sup> The government registered almost 15,000 widely disparate grassroots territorial organizations (GTOs) between 1994 and 1997 and gave them responsibility for creating community development plans, ensuring local oversight of projects, and mobilizing community labor for the construction and maintenance of public works. In rural municipalities, GTOs can have as few as sixty members, whereas in the country's largest cities they number as many as 3,000 (Kohl 2003a).

Conspicuously absent from recognition were labor unions, reflecting the continued government determination to prevent any legitimate role for Bolivia's once powerful *Central Obrera Boliviana* (COB), which had co-governed during the 1950s and brought down dictatorships in the 1970s and early 1980s (Ejdesgaard Jeppesen 2002; Medeiros 2001).

The national Confederation of Unions of *Campesino* Workers of Bolivia (*Confederación Sindical Única de Trabajadores Campesinos de Bolivia* (CSTUCB)) initially opposed the recognition of GTOs outside the union structure, as governments had historically sought to create parallel organizations to undermine *campesino* unions. In a reaction similar to that found in the Philippines by Angeles and Magno (2004), the CSTUCB greeted the sudden change in government discourse that transformed *campesinos* into "subjects of participation" with mistrust, as the state had traditionally operated in opposition to, rather than in support of, the unions (Ejdesgaard Jeppesen 2002). Formal union opposition to the LPP weakened steadily as its male leadership realized that the law did indeed offer new political and social opportunities for Bolivia's indigenous majority, and, in May

1995, the CSTUCB signed an agreement with the government allowing local unions to serve as GTOs (Grindle 2000). The CSTUCB announced in their 1996 Congress that they would "radicalize popular participation to the extreme," heralding how popular organizations planned to utilize the LPP to pursue their own counter-hegemonic agendas (Ejdesgaard Jeppesen 2002: 37).

Although the LPP formally commits itself "to promote equal access of women and men" (Ley 1551 Article 8 1994), it contains a structural bias against women. Grassroots Bolivian women's organizations, which began organizing in the 1960s with the formation of housewives' committees in the mines, have been organized along sectoral rather than territorial lines. Consequently, they do not qualify as GTOs. Even when women's organizations have a territorial basis, they are generally subordinate to the male-dominated unions. This has resulted in a systematic exclusion of women from equal participation in the LPP, even as other laws attempt, with limited success, to increase their participation in planning and politics.<sup>7</sup>

Issues concerning the composition, legitimacy and representation of GTOs reflect the difficulty of legislating democratic participation in planning among highly heterogeneous populations (Kymlicka 1995). Although none of these problems has been resolved, the LPP indicates a shift in the character of politics in Bolivia. Before the LPP, grassroots groups and unions saw few options but to engage in oppositional politics to exercise demands on the state; in the era of popular participation, groups began to make some of those demands through formal political channels. This shift in political culture is an ongoing process: grassroots groups still use the oppositional techniques that had been developed centuries before the LPP. It is no surprise to see, for example, fifty or 100 members of a neighborhood organization at the entrance to a municipal building demanding attention from their representatives. And even with Evo Morales as President of both the nation and the confederation of coca growers from the Chapare, coca growers' unions still mobilize to make public demands on their leader in this combined role.

The LPP sought to channel Bolivia's traditionally unruly political protest to a local level and contain it within prescribed limits. Medeiros argues that the LPP embodied a "highly regulated construction of a modern participatory citizenry" as part of a hegemonic project that sought to "predefine the limits to what can be achieved" (2001: 401), and, in the short run, the LPP achieved moderate success in this dimension.

### The LPP, electoral politics and social movements

Between 1995 and 1999, the LPP allocated enough resources to municipalities to attract the attention of local populations while simultaneously redefining the

spaces for opposition. Before the 1985 structural adjustment program broke the back of the miners' union, opposition to the government was national and class-based. Drawing from Friedmann's (1987: 273-97) typology of social mobilization strategies, the period of COB predominance was based on a formal organization, strongly influenced by vanguardism that focused on what it was against rather than for and worked outside the system in oppositional, but generally non-violent, forms to achieve what many of the Marxists who dominated the labor movement believed was the inevitable collapse of capitalism.

Owing to the structural adjustment's successful assault on the COB, by 1995 labor resistance primarily followed sectoral lines. Such fragmentation rendered the union movement largely ineffective. In its place, rural indigenous social movements, most notably coca growers in the Chapare region east of Cochabamba, rose to become the most important opposition force in the country. The constant repression associated with the US-financed drug war, which fell most heavily on *campesinos*, combined with unfulfilled economic development promises, forged them into a powerful political movement with strong grassroots and almost exclusively male leadership, directly accountable to their bases (Farthing and Kohl 2001; 2005).

As the national labor movement and its formal organizational structures disintegrated, much of the focus turned to more informal and local processes, and opposition centered on GTOs and municipal struggles. During the first five years of the LPP, indigenous groups and *ayllus*, which had been able to command attention through national protests, generally did not register the same gains through participation in planning within municipal borders where they confronted entrenched local elites. There were, however, some important exceptions: the coca producers, the highland Aymara and to a lesser degree the lowland Guarani, Bolivia's third largest indigenous group. These groups, often under powerful and charismatic male leaders, managed to reach beyond municipal boundaries and extend political alliances along ethnic lines, or, in the case of the coca producers, along economic interests, to develop a base for broader formal and contentious political activity. Compared with the era under COB leadership, actions during this period reflected the opposite end of the spectrum delineated in Friedmann's 1987 typology: they were mostly informal and spontaneous, tended to greater violence and counted on less clear authority and leadership. Nonetheless, social resistance remained clearly outside the system and continued in a tradition of opposition rather than proposition.

The LPP became a site for local confrontation as the widespread tensions that exist in rural Bolivia between townspeople and rural indigenous people were brought to the surface (Farthing and Kohl 2005; Medeiros 2001). Because of the LPP, the ubiquitous second-class status of indigenous citizens was contested throughout Bolivia (Ejdesgaard Jeppesen 2002). Just as Ducci (2004) discovered

in Chile, the process of decentralization fed political opposition as it generated expectations that governments could not fulfill, no matter how extensive citizen participation in planning, as annual per capita disbursements from the national government never exceeded US\$30.

With the introduction of municipal elections, popular movements gained entry to formal political spaces and began to transform social movements into political parties. In the 1995 municipal elections, thirteen political parties fielded candidates, and *campesino* and indigenous representatives were elected to 29 percent (464 of the 1624) of the seats in 200 of the country's 311 municipalities (MDH-SNPP 1996). In this first election, however, most successful candidates represented the traditional parties, rather than more populist ones (Albó 1996: 14).

The large number of political parties made it attractive for the smaller parties that lacked a national organization to open their doors to indigenous and rural people as the best way to field candidates. The success of some of the smaller parties, especially the Assembly for [Indigenous] Peoples' Sovereignty (*Asamblea de Soberanía de Pueblos* (ASP)) and the Free Bolivia Movement (Movimiento Bolivia Libre (MBL)), in winning seats in rural municipalities alerted the traditional parties to the need for a stronger rural presence.

Although only four indigenous candidates, all representing the coca growers' movement, reached Congress in the 1997 national elections, their success inspired other *campesino* and indigenous organizations and convinced small political parties to "loan" them their party slates during municipal elections in 1999.<sup>8</sup> Many of the candidates in the 1995 and 1999 municipal elections participated as national candidates for the MAS in 2002 (Healey 2005). Indigenous councilors won seventy-nine seats in seven of nine departments, although mostly through the traditional parties (Van Cott 2003: 763).

As Gray Molina (2003: 351) argues, the LPP fundamentally "restructured the rules of the game for political intermediation and policy making in rural areas." The 1995 municipal elections marked an important turning point and signaled the eventual demise of a peculiar form of Andean apartheid that had kept indigenous people from meaningful participation in electoral politics and local planning. Increasingly, *campesino* unions and other indigenous organizations worked with small, progressive political parties and in some cases began to form their own parties. The steady growth in local electoral participation, especially among rural voters, increasingly complemented union politics with party politics (Gray Molina 2003).

It was only in the 2002 combined presidential and congressional elections that the MAS broke beyond the boundaries of the Chapare to take second place nationally with 20 percent of the popular vote. Although Morales' showing exceeded expectations, the party was still perceived as a regional one. In the largely

Aymara department of La Paz, Felipe Quispe, "El Mallku," captured much of the indigenous vote, winning about 6 percent nationally and gaining six seats in the lower house.

Gonzalo Sanchez de Lozada assumed the presidency in August 2002 at the head of a weak coalition government, which represented the worst of what Eduardo Gamarra (1996) refers to as Bolivia's "pacted" democracy. Political pressure came from two fronts. On the one hand, social movements built on the symbolic success of the 2000 Cochabamba "water war" to continue pushing continually weaker and more incompetent administrations that failed to convince the people that they operated in the best interest of the majority of Bolivians (Kohl and Farthing 2006). On the other hand, the growing formal political participation of opposition movements led by Morales and the MAS pushed for reforms that further opened the political process. Although the MAS had little legislative power as a minority party, Morales took up the fight not only in the halls of Congress but also in the streets as Sanchez de Lozada's government thrashed about, reacting to social and political crises rather than governing proactively.

The opposition grew increasingly strident, and, after 14 months of almost continual chaos, on October 17, 2003, Sanchez de Lozada resigned as 500,000 people marched from El Alto to La Paz, demanding his departure for sanctioning lethal force against unarmed civilian demonstrators in a presidential decree. Following constitutional protocol, his vice-president, Carlos Mesa assumed office with a promise to address the issues of the "October Agenda": a constitutional assembly, decentralization and regional autonomy, nationalization of gas, and corruption. In the municipal elections of December 2004, the MAS, although failing to win in major cities or an overall majority of seats, had the strongest showing of any party, particularly in rural areas.

Mesa, who resigned from office in June 2005 in the face of massive protests for failing to enact the "October Agenda," brought two important changes during his tenure. Notably, given Bolivia's repressive history, he refused to order the military to shoot civilians. He also modified electoral rules to allow social groups to field candidates for municipal office without having to integrate into political parties, which allowed for more direct indigenous participation. This further extended the space for formal political contestation, and, in the 2004 municipal elections, in Bolivia's largest cities, 30 percent of elected councilors represented citizen groups rather than political parties.

Eduardo Rodríguez Veltzé, the president of the Supreme Court, replaced Mesa with the sole mandate of organizing elections within 180 days. Although constitutional procedure only called for presidential elections, broad-based social pressure forced Congress to pass a law that recalled the entire national legislature while it also required the direct election of departmental prefects. This election put Morales in office with an unexpected 54 percent of the vote, even as his party

lost six of nine prefectural races to a mix of traditional party candidates and strong local leaders (*caudillos*), who took advantage of new electoral laws to form their own parties.

### **Bolivia's experience in comparative perspective**

Social movements in other Latin American countries have had a mixed experience with political decentralization as a tool to advance their agenda. In Colombia, social movements have not appropriated the newly established participatory planning mechanisms but rather have continued to direct their demands at the central government, and for the most part Colombian labor unions have ignored municipalities (Ahumada Beltrán and Velasco 2000). In Chile, where municipal elections were held for the first time after the Pinochet dictatorship in 1992, Pressacco and Huerta (2000) found that the weaknesses of social organizations limited active participation by low-income people.

The success of Bolivia's social movements in occupying the spaces created by decentralization, however, is not unique. Heller (2002) describes how the combination of strong left-of-center governments, robust civil societies and political decentralization initiatives has combined to generate opportunities for social movements in the state of Kerala, India, the city of Porto Alegre, Brazil, and South Africa.

In Brazil, Latin America's best-known case of devolving authority to the municipal level, several hundred left-wing local governments have used decentralization, promoted decades earlier by local elites to consolidate their power in the face of a modernizing military, to institute participatory budgeting (Abers 2000; Goldsmith and Vainer, 2001). In a trajectory that echoes the MAS but on a much larger scale, the Brazilian Workers' Party (PT) gained experience through years of governing first municipal and then state governments as they built a political party that, with a coalition government, won the presidency in 2002 and again in 2006.

In Guatemala, left-of-center civic fronts and indigenous organizations have formed a network to support participation in municipal planning by the poor in fourteen of twenty-two departments and to establish a presence in fifty-five municipalities (Puente and Molina 2000). Fernando Espinoza describes how, in Ecuador, "indigenous peoples and organizations consider local spaces as strategic terrain in the construction of a plurinational state and the exercise of radical democracy" (2003: 198). And, in Chiapas, Mexico, indigenous groups have taken control of municipalities abandoned during the 1990s (Rombera and Luévano 2003). The trend of building progressive movements on local foundations continues throughout much of Latin America, as reflected in political groupings such as *Causa R* in Venezuela, *Frente Amplio* in Uruguay and FREPASO in Argentina (Oxhorn 2004).

## Conclusions

The processes of change in Bolivia illustrate a particular synergy between decentralization, political restructuring and social movements, reflecting the importance of the social mobilization strand of planning theory in understanding planning processes in countries with strong histories of contentious politics. The LPP, although fundamentally a reform measure incapable of changing the basic material conditions of the majority of Bolivians, did serve as a catalyst to mobilize a marginalized population to adopt a re-energized repertoire of political actions. However, even as the government prescribed spaces of action, it also introduced a new rhetoric of citizenship and participation in planning, as well as creating new expectations of the state.

Political decentralization made municipal planning and electoral politics a proving ground for a growing grassroots democratic opposition to traditional urban political parties. Bolivian opposition movements, centered on the coca producers, consolidated a hold on a small territory before forming broader alliances. Building on initial successes in 1995 and 1999, the opposition movements became increasingly self-assured and effectively combined an indigenous, nationalist and anti-neoliberal discourse to propel the MAS to electoral victory.

Over the short term, decentralization channeled the attention of political groups to the local arena, a strategy similarly used by elites in both Mexico and Kenya seeking to shore up their own legitimacy while simultaneously attempting to prevent greater democratic participation at a national level (Tulchin and Selce 2004). In Bolivia, decentralization enabled groups that could not successfully compete on a national or departmental scale to occupy new political spaces in the local arena, creating hundreds of laboratories that enabled a largely male leadership to develop. The coca producers in the Chapare gained control of their municipalities and planning early on, but, because of their powerful identification with a long history of *campesino* and miner struggles, they always sought national support—and supported broader calls for social justice—as well.

Heller (2002) argues that such historical and political circumstances can determine when popular movements will be able to take advantage of political decentralization. In Bolivia, well-organized and combative social movements, built on a trajectory of resistance that reaches back to the Spanish Conquest, were key elements in enabling the poor to assume a greater role in both local planning and politics. The social movements' ability to nurture astute leaders was also of critical importance. The spiraling economic and political crisis that confronted Bolivia from 1999 on created important political opportunities that these leaders recognized and exploited. All these factors were fundamental in facilitating Bolivians' appropriation of political decentralization for their own ends, rather than those envisioned by national elites and international financial institutions.

## Notes

- 1 There are over thirty lowland indigenous groups, with a total population of about 600,000, with the Guarani accounting for about 300,000 of them.
- 2 *Campesinos*, literally, are people who live in the countryside. The word is commonly translated as peasants, but includes both landowning and landless people of rural origin, who participate in commodity production and urban labor markets to different degrees. The majority of the population lived outside established municipalities, which were administered by officials appointed at the departmental level.
- 3 The *ayllus* and *capitanías* are both pre-Conquest organizational structures that persist until today, the *ayllus* in the western highland areas, and *capitanías* among the eastern lowland groups, most importantly the Guarani. As Jojola (1998) found in Pueblo Indian nations of the American southwest, they both represent indigenous planning traditions that have played an important role in centuries of survival and resistance. The *ayllus* is a nested moiety structure that provides local governance (Platt 1982). *Campesino* unions arose after the 1952 revolution, when a modernizing government changed the pejorative "indio" to "campesino" as the nomenclature to describe rural indigenous people. The *campesino* union model is based on the organizational forms of the labor movement in Bolivia. In many areas of Bolivia, existing *ayllus* and *capitanías* structures compete for the authority to represent local communities with either urban neighborhood organizations or *campesino* unions. As resources are often allocated on a per capita basis, this has become an increasing source of conflict.
- 5 German technical assistance provided support for drafting the legislation.
- 6 See Platt (1982, 1999) and Albó *et al.* (1990) for a discussion of these and other indigenous forms of organization.
- 7 Although electoral laws call for including higher percentages of women, and indeed more women appear on ballots, they do not specify how women are to be ranked on electoral lists, of key importance in determining who actually enters office in a proportional electoral system. The number of women mayors and municipal council presidents declined in the 2004 municipal election.
- 8 Bolivian law stipulates that municipal elections be held every five years, throughout the country. These elections have come at the midpoint of a presidential term, although it is not clear what will happen as the presidential elections, scheduled for June 2007 were held in December 2005.

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