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**CHAPTER 6**

**FROM OBSCURITY TO  
CENTER STAGE: THE  
ARCHITECTONICS OF  
BOLIVIA'S FOREIGN  
POLICY**

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**INTRODUCTION**

The 2005 election and 2009 reelection of Evo Morales to the presidency of Bolivia have significantly altered the country's domestic and foreign-policy landscape. Bolivia is a resource-rich, landlocked, and largely indigenous Andean nation, which under Morales has emerged as part of the Pink Wave and as a supporter of "21st century socialism." The aim of this chapter is to conceptualize foreign policy under Morales, arguing that Bolivia should be regarded as uniquely divorced from its traditional, Washington-friendly orientation. From this perspective, the central objective of the Morales presidency has been to break from the past and move toward an uncharted, left-leaning future, with primary attention being directed toward domestic affairs, rather than foreign policy. In his efforts he has been aided by vast natural resources, a majority in both houses and a high level of electoral support, although domestic politics remain unstable.

This is not to say that President Morales has no ideological vision as to how he will lead his country in its dealings abroad. Rather, we argue here that although an ideological vision informs his foreign policy, he is prepared to accept hard facts about what goals can be achieved and,

1 more importantly, *how* they can be achieved. Even though Bolivia is  
2 poor and has been relatively unstable in social and political terms, unlike  
3 many other developing countries, it has good prospects, mostly due to its  
4 relatively small population and vast natural resources.

5 Morales's discourse in both domestic and foreign policy includes refer-  
6 ences to anti-imperialism, anticolonialism, and anticapitalism, elements  
7 that are not unique among some of the leftist leaders who have been  
8 elected to power in Latin America in the past decade. It also includes,  
9 however, a strong pro-indigenous discourse, reflecting Morales' own  
10 Aymara identity. In view of this, it is striking that his foreign policy  
11 has not been as radical or ideological as sometimes portrayed, and has  
12 actually followed a restrained, logical, and largely pragmatic pattern.

#### 14 **DIVORCING FROM HISTORY**

15  
16 The presidency of Evo Morales has afforded Bolivia a degree of political  
17 continuity that it had not enjoyed for a number of years. Hugo Banzer,  
18 who originally governed as a dictator from 1971 to 1978, was elected  
19 president in 1997, holding office only until 2001, when he resigned after  
20 being diagnosed with cancer. His vice president, Jorge Quiroga, com-  
21 pleted his term until 2002. In the subsequent 2002 election, millionaire  
22 businessman Gonzalo Sánchez de Lozada, who had previously served as  
23 president from 1993 to 1997, was reelected, defeating Morales in a close  
24 race. However, just one year later, Sánchez de Lozada was forced to resign  
25 due to the wave of popular mobilization in defiance of his government.  
26 Key among the various issues that provoked popular unrest was the  
27 president's decision to export Bolivian gas to U.S. and Mexican markets  
28 via Chilean ports. Upon Lozada's hasty resignation, he was replaced by  
29 Carlos Mesa (2003–2005) and then Eduardo Rodríguez (2005–2006),  
30 until the late 2005 elections that resulted in Morales's triumph.

31 All of these administrations, to a greater or lesser degree, had fol-  
32 lowed free-market policies and had maintained the traditional close  
33 relationship with the United States, which in turn played a significant  
34 role in the domestic politics of Bolivia. For example, in the 2002 elec-  
35 tion, in which Morales and Sánchez de Lozada ran against each other,  
36 Otto Reich, the then highly controversial assistant secretary of state for  
37 Western Hemisphere Affairs, commented that, "we do not believe we  
38 could have normal relations with someone who espouses these kinds of  
39 policies," in reference to Morales' opposition to Washington's coca erad-  
40 ication programs.<sup>1</sup> Manuel Rocha, the U.S. ambassador to Bolivia, went  
41 further, threatening to cut off U.S. aid to La Paz if Morales was elected  
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1 to the presidency. While Morales was deemed unacceptable, Sánchez de  
2 Lozada was clearly seen as the “golden boy” by conservative Washington  
3 policy makers, a stance that influenced Morales’ view of the Bush  
4 administration.

5 Sánchez de Lozada sought to further deepen relations with the United  
6 States. Indeed, one of his key policy initiatives was to follow its zero-  
7 tolerance strategy regarding coca cultivation for which Lozada received  
8 economic and diplomatic recognition from the United States. Yet by  
9 the time the Bolivian president traveled to Washington in March 2003  
10 to seek further support, large-scale protests against him in Bolivia were  
11 rapidly convincing Washington that he was an unstable ally, in danger  
12 of being overthrown. The violent protests that ultimately forced Sánchez  
13 de Lozada to resign from the presidency erupted in October 2003, and  
14 reflected nationwide Bolivian opposition to his government’s decision to  
15 export gas to the United States and Mexico. While using a Chilean port  
16 as a terminus for the gas pipeline might have made eminent economic  
17 sense, it provoked strong political opposition within Bolivia due to the  
18 historical memories over the country’s loss of its coastline to Chile in the  
19 late nineteenth century. Many poorer Bolivians simply did not believe  
20 that the average citizen would ever benefit from the profits accrued from  
21 the export of the country’s natural gas, since very few had ever profited  
22 from such business deals in the past.

23 Despite distancing himself from his predecessor, Carlos Mesa, did  
24 not deviate significantly in terms of his foreign-policy orientation. His  
25 main international backer, at least at first, was the United States. He also  
26 encouraged natural gas exports, signing an agreement with Argentina  
27 in 2004, and, like his predecessor, advocated gas exports to the United  
28 States and Mexico via Chile. The agreement was framed as part of a deal  
29 to enable Bolivia access to the sea.<sup>2</sup> The policy of exporting natural gas  
30 continued to be a controversial issue that provoked bitter resentment.  
31 Indeed, it was the reignition of protests over such exports that ultimately  
32 led to the resignation of Mesa in 2005, and provided fertile ground for  
33 the election of Morales to the presidency in late 2005.

34 The toppling of the Sánchez de Lozada and then the Mesa administra-  
35 tions exemplifies how the historical structure and subsequent direction of  
36 Bolivian foreign policy has affected the situation in which the nation now  
37 finds itself. While it is still unclear how much, if any, of the profit from  
38 the export of natural gas would have trickled down to benefit poorer  
39 Bolivians, the popular perception, based on historical experience, was  
40 that it would be foreign corporations or domestic elites who would be the  
41 primary beneficiaries. This perception made the policy untenable.  
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**THE IMPACT OF THE DOMESTIC CONTEXT**

1  
2 Recent Bolivian domestic politics have been defined by almost perma-  
3 nent turmoil, exacerbated by poverty, inequality, regional ethnic hostil-  
4 ity, political instability, and a historical absence of democratic tradition,  
5 including an almost constant threat of military intervention. The threat  
6 of regional separatism, ethnic conflict, and the plotting of conspiracies  
7 against the president of the day (often allegedly with the backing of the  
8 United States<sup>3</sup>) have been the backdrop against which Morales has sought  
9 to introduce his ambitious reforms.

10  
11 At the same time, Morales has had to struggle to maintain the  
12 country's fragile cohesion throughout most of his presidency, especially  
13 in terms of long-standing tensions between the poor western highlands  
14 and the resource-rich eastern departments such as Santa Cruz, Pando,  
15 and Tarija.<sup>4</sup> Indeed, the wealthier eastern departments have threatened to  
16 secede from the rest of the country, spurred by opposition to Morales and  
17 his policies, in order to protect their locally based wealth, in the form of  
18 oil deposits, as well as newfound energy resources.<sup>5</sup> In 2008, a number of  
19 protests, along with a regional referendum that the government labeled as  
20 unconstitutional, pushed the issue of regional autonomy to the forefront  
21 of domestic politics.<sup>6</sup> The referendum was carried out in Santa Cruz  
22 without the consent of the Bolivian National Electoral Court (NEC),  
23 as well as without international observers, and was declared invalid by  
24 the NEC.

25 Such domestic instability affected foreign-policy decisions. Internal  
26 protests, which included demands that could have led to secession, or at  
27 the very least, greater autonomy, could also have undermined how the  
28 president was perceived on an international level. A president who does  
29 not control the main levers of power within his own country will find it  
30 difficult to win confidence or even support (in terms of investment and  
31 aid) abroad. More importantly, with such domestic pressures at work,  
32 it is highly doubtful that any head of state would be able to focus on  
33 developing a strong foreign policy. This was especially true in the case  
34 of Morales, who was forced to focus on domestic stability while also  
35 attempting to expand opportunities abroad.

36 Throughout his presidency, Morales has had to face well-organized  
37 domestic opposition forces, which have sought to destabilize his admin-  
38 istration. This has led him to curb his more radical policies, in order  
39 to achieve greater domestic stability and be able to govern more effec-  
40 tively. In the same way, he is keen to construct a more pragmatic and  
41 less ideological foreign policy.<sup>7</sup> As a result, Morales has not been a great  
42 risk taker either in domestic or foreign-policy initiatives. Even his bold

1 nationalization of Bolivia's natural gas fields in 2006 was ultimately a  
2 relatively controlled and pragmatic exercise. From a policy point of view,  
3 Morales sought to preserve national control over local natural resources.  
4 From a financial perspective, he recognized that Bolivia could benefit  
5 substantially if the state was able to control its gas fields.<sup>8</sup> "I dream of  
6 having our state company [YPFB] becoming as important as Brazil's  
7 Petrobras or Venezuela's PDVSA," Morales has stated.<sup>9</sup>

8 While he faced ideological conflicts with the Bush administration,  
9 which cost Bolivia its lucrative Andean Trade Promotion and Drug  
10 Eradication Act (ATPDEA), preferential trade agreements, anti-drug  
11 assistance, and a reduction in its share of foreign aid,<sup>10</sup> Morales never-  
12 theless emerged in fairly good shape in terms of his national and inter-  
13 national standing. As we shall see, this reflected a solid and successful  
14 pragmatism in policy implementation.

#### 15 RELATIONS WITH VENEZUELA

16 Bolivian-Venezuelan relations have been the keystone of the so-called Pink  
17 Tide that swept across Latin America and was partially institutionalized  
18 in the creation of the Bolivarian Alternative for the Americas (ALBA).  
19 Although the two countries have not historically had markedly close  
20 ties, the relationship between Hugo Chávez and Evo Morales, combined  
21 with a shared ideological vision, has brought the countries together in an  
22 important regional alliance, reflected in significantly increased trade and  
23 diplomatic relations and military cooperation. For example, Venezuela  
24 has granted generous trade and energy concessions to Bolivia, provided  
25 funding for a large variety of social, educational, and medical projects,  
26 and offered military assistance, including the provision of military hard-  
27 ware.<sup>11</sup> However, it is the diplomatic and political alliance, centered on  
28 a shared ideology of the two leaders, including a rhetorical rejection of  
29 neoliberalism and of continued U.S. influence in the Americas, that has  
30 proven decisive in their deepening of relations.

31 Nevertheless, ample evidence exists that Morales does not want to be  
32 seen, either in Bolivia or internationally, merely as a protégé of Chávez.  
33 In 2008, mass protests in Bolivia and continued regional tensions led to  
34 speculation over the potential separation of the eastern provinces and  
35 an imminent coup d'état against Morales. Chávez's response, that the  
36 Venezuelan military would intervene to protect Morales,<sup>12</sup> led to an out-  
37 cry from Bolivian politicians as well as military officials, offended by his  
38 apparent disregard for Bolivian sovereignty.<sup>13</sup> Morales, for his part, was  
39 quick to distance himself from the declarations and emphasized solidarity  
40 rather than any interventionist role that Venezuela might play.<sup>14</sup>  
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1 Commercial relations between both countries, while not extensive,  
2 have increased significantly and appear set to grow further with Bolivia's  
3 development, particularly with its new emphasis on the economic  
4 exploitation of energy-related resources. In May 2007, the two govern-  
5 ments signed a preferential trade agreement,<sup>15</sup> followed by meetings  
6 between representatives of Bolivian and Venezuelan business sectors to  
7 explore boosting investment between the two countries.<sup>16</sup> By the end of  
8 September 2008, Venezuela had become Bolivia's largest lender, replacing  
9 Spain and Brazil, with investments totaling upwards of \$132.4 million.<sup>17</sup>  
10 Furthermore, Venezuela's PDVSA and Bolivia's YPFB joint venture,  
11 dubbed YPFB-Petroandina, plan to drill hydrocarbon wells in the La Paz  
12 department. The investment is projected to reach \$93 million.<sup>18</sup>

13 The YPFB-Petroandina venture is an example of the use of Bolivia's  
14 available means to achieve various logical objectives: building closer rela-  
15 tions with friendly states, exploiting natural resources, and attempting to  
16 enhance the quality of life for Bolivians. The introduction of the *Sistema*  
17 *Único de Compensación Regional* (Sucre) currency, at this early stage,  
18 seems mainly an ideological step with a possible practical element. In this  
19 instance, Morales is using his country's financial system to achieve two  
20 goals: to integrate policy goals with ideologically sympathetic states and  
21 to lessen the country's dependency on the U.S. dollar.

22 The relationship with Venezuela, in contrast with much of the rest of  
23 Latin America, is based on a shared ideological vision and other personal  
24 ties. Yet there is also a highly pragmatic element in the relationship, in the  
25 form of solid economic benefits, including trade, aid, and investment.  
26 Accompanying this relationship with Venezuela is also a more elaborate  
27 diplomatic grid, which aims to diversify foreign-policy links and make  
28 Bolivia a more involved regional player. Not surprisingly, many of the  
29 new relations revolve around Bolivia's natural resources.

#### 31 RELATIONS WITH BRAZIL

32  
33 Despite some ideological differences, Brazil's President Ignacio Lula da  
34 Silva and Evo Morales have maintained cordial and pragmatically stable  
35 relations, ironically due in part to a number of economic disagreements.  
36 In some ways, this has reflected their differences. Brazil has the region's  
37 largest economy and population, is an industrialized nation, and has  
38 hemispheric as well as global ambitions, including a permanent seat  
39 on the UN Security Council. In contrast, Bolivia is a small, relatively  
40 poor state, albeit with extremely important natural resources from  
41 existing as well as yet unexploited deposits. Yet, occasional clashes over  
42 Bolivia's nationalization and pricing policies have not led to a long-term

1 deterioration of relations, but to the continuation of a pragmatic and  
2 mutually beneficial relationship in the three areas of energy, security,  
3 and trade.

4 The key basis for relations between these neighboring countries is  
5 trade, in which Bolivia maintains a favorable balance, due to its natu-  
6 ral gas exports. In 2008, Brazilian exports to Bolivia totaled US\$1.14  
7 billion, while Bolivian exports to Brazil reached US\$2.85 billion, mak-  
8 ing Brazil the country's most important trading partner.<sup>19</sup> In May 2006,  
9 as part of an energy-related nationalization program, Bolivian troops  
10 dramatically occupied a number of natural gas production facilities,  
11 including some owned by PETROBRAS (Petroleos Brasileiro SA), the  
12 Brazilian government-owned energy giant. By May of the following year,  
13 the nationalization program had been fully implemented, and Morales  
14 had issued a decree that prohibited the Brazilian company from export-  
15 ing certain refined oil products.<sup>20</sup> Despite nationalist pressures from  
16 within Brazil and from Brazilians living in Bolivia, PETROBRAS even-  
17 tually sold 100 percent of its two refineries to Bolivia, thus bringing an  
18 end to the dispute.

19 In early January 2009 Brasilia announced that it would shut down  
20 some of its plants that rely on Bolivian natural gas and instead promote  
21 the use of hydroelectric power.<sup>21</sup> However, shortly thereafter, Brazil's  
22 energy minister Edison Lobao declared that, due to economic growth  
23 Brazil would actually increase gas imports from Bolivia instead of  
24 decrease them. The mixed signals reflect Brazil's long-term aim to reduce  
25 its dependence on Bolivia's natural gas reserves alongside its short-term  
26 reliance on these same resources.<sup>22</sup> In February 2007 an agreement was  
27 signed, requiring Brazil to purchase between 19 million and 31 million  
28 cubic meters of gas per day at a fixed price that is favorable to Bolivia.<sup>23</sup>  
29 In December 2009, Bolivia announced that it would start receiving  
30 additional payments for exports of its liquefied natural gas (LNG) to  
31 Brazil—with additional payments worth between US\$100 million and  
32 US\$180 million a year by 2019.<sup>24</sup> In what is a highly pragmatic and  
33 mutually beneficial relationship, Bolivia is guaranteed an important  
34 source of revenue, while Brazil maintains guaranteed access to much-  
35 needed energy supplies.<sup>25</sup>

36 A further issue regards their common border, which extends for 2,130  
37 miles (3,425 km) but is not heavily patrolled by either government. For  
38 example, in 2007 it was estimated that only 157 Bolivian officers were  
39 patrolling the border, averaging about one officer for every 22 kilome-  
40 ters.<sup>26</sup> In recent years there has been growing concern about the level of  
41 contraband that regularly passes through the border region.<sup>27</sup> In 2007,  
42 the Brazilian government donated US\$9.86 million to Bolivia to develop

1 a section of the border area that was largely inhabited by Brazilian small  
2 farmers. The donation was announced by Brasilia as part of a provisional  
3 decree reflecting growing interstate cooperation, but in reality it repre-  
4 sented an effort by the Brazilians to persuade the Bolivians not to expel  
5 Brazilian citizens from Bolivian territory under the land-reform initiatives  
6 being pushed by Morales. With viable agriculture struggling to survive in  
7 Brazil's border states, including Acre, Rondonia, and Amazonas, an influx  
8 of deported farmers would only exacerbate an already tense situation.<sup>28</sup>

9 The pragmatism demanded by daily events is far more relevant to  
10 determining the foreign-policy strategies employed by the two admin-  
11 istrations than any ideological debate. Although Morales's ideological  
12 support for nationalization strained relations with Brazil, as did the  
13 rise in prices for LNG, these decisions were pragmatic, gaining Bolivia  
14 greater control over its natural resources and generating greater revenue  
15 from them.

#### 17 RELATIONS WITH THE UNITED STATES

18 Historically, Bolivia has been regarded by Washington as a relatively  
19 dependable ally in South America. Bolivia under military rule cooper-  
20 ated in Cold War regional security, including a role in *Operation Condor*,  
21 the shared intelligence operation by military governments in the 1970s.  
22 During the transition to democracy, Bolivia stayed relatively close to the  
23 United States in terms of economic policy and political values, despite  
24 political instability and high levels of corruption, drug cultivation, and  
25 violations of human rights.

26 The rise to power of Morales led to a rapid deterioration of rela-  
27 tions with Washington, and in this case, ideology does appear to have  
28 played a major role. The United States saw in Morales the threat of a  
29 nationalist leader heavily influenced by "21st century socialism," and  
30 who would bring greater instability to the region, possibly threatening  
31 U.S. interests. Morales, on the other hand, criticized the past role of the  
32 U.S. in Bolivia and called for a new relationship, best expressed by the  
33 former Bolivian ambassador to the United States Gustavo Guzman, who  
34 stated that "Morales' victory represented a defeat of past U.S. policies  
35 and a challenge to see if the United States could bend itself to the new  
36 realities of Bolivia."<sup>29</sup> This new reality would include reduced economic  
37 and military relations and a curtailment of U.S. influence in domestic  
38 politics, but, initially at least, not the breaking of diplomatic or economic  
39 relations.

40  
41 However, tensions between the countries finally led to the crisis of  
42 September 2008, when Morales declared the American ambassador



1 Philip Goldberg persona non grata<sup>30</sup> and also ordered several Drug  
2 Enforcement Agency (DEA) agents to leave the country. The expulsion  
3 came after a period of sustained U.S. support for the political opposition,  
4 allegations that the United States was fomenting violent antigovernment  
5 protests, and Goldberg's visit to Santa Cruz to address the anti-Morales  
6 opposition. The expulsion of the DEA agents may have been based on  
7 Morales's ideological opposition to the controversial and highly unpopu-  
8 lar policies of the United States in its efforts to combat drug trafficking,  
9 considering his *cocalero* past.<sup>31</sup>

10 The price of the conflict for Bolivia was high in terms of loss of ben-  
11 efits from the ATPDEA and the Andean Trade Preference Act (ATPA),<sup>32</sup>  
12 which gave Bolivia preferential treatment on some U.S. tariffs, worth up  
13 to US\$150 million a year in terms of access to U.S. markets. Morales  
14 showed his defiance by stating, "We do not have to be afraid of an eco-  
15 nomic blockade by the United States against the Bolivian people."<sup>33</sup> Such  
16 statements exemplify a collision of pragmatism (external financial aid for  
17 development) with Morales' ideological stance that national sovereignty  
18 and dignity must be put before any financial agreement. Furthermore,  
19 while trade with the United States is important, the rise in value of some  
20 of Bolivia's natural resources, such as lithium,<sup>34</sup> and increased foreign  
21 investment by international corporations, such as the Bollore Group and  
22 Japan's Sumitomo Corp. and Mitsubishi Corp, had softened the impact  
23 of the rupture.<sup>35</sup>

24 Morales promised to uphold a robust strategy to combat drug produc-  
25 tion and domestic trafficking in Bolivia, even without Washington's aid.  
26 In part, this was an ideological statement to establish the independence  
27 of Bolivia's domestic policies from U.S. national interests. In common-  
28 sense terms, it was a popular move, given the widespread domestic oppo-  
29 sition to U.S. anti-narcotics operations. Morales was also keen to show  
30 he had broad international support. In February 2009, Bolivia signed  
31 an agreement with Russia to purchase a number of MI-17 military heli-  
32 copters to be used in anti-drug operations.<sup>36</sup> According to the Bolivian  
33 vice-minister of foreign affairs, Hugo Fernandez Araoz, "The helicopters  
34 are to fight drug trafficking, Russia can help with this operation. The  
35 former helicopter supplier was the United States, but our relations are  
36 strained."<sup>37</sup>

37 Morales's two major conflicts with the United States marked a clear  
38 rejection of Washington's historical relationship with Bolivia. It remains  
39 debatable whether Morales's stance was based on ideology or on a more  
40 pragmatic and necessary defense of Bolivia's national interest and sover-  
41 eignty. The loss of the ATPDEA income could adversely affect Bolivia's  
42 economy, and while the DEA's anti-drug operations were not always

1 effective against drug production and trafficking in Bolivia, it is unclear  
2 if La Paz can handle the issue of narcotics on its own. Yet the crisis with  
3 Washington came about only at the end of 2008, several years into  
4 the Morales presidency, indicating that it was due less to deep-rooted  
5 ideological differences than to the perception that Washington was  
6 playing an active and highly inappropriate role in Bolivian domestic  
7 politics. Overall, it would appear that Morales' actions reflected a highly  
8 pragmatic approach, which may have reflected personal ideology and  
9 were certainly couched in the ideologically charged rhetoric of national  
10 sovereignty.

11 While ideology does influence the scope of foreign policy, it would  
12 be a mistake to operationally confuse Bolivia for Venezuela. While  
13 Bolivia took the somewhat extreme action of expelling the U.S. ambas-  
14 sador, this action did not lead to the severing of commercial links or to  
15 embedded hostility. Indeed, the defeat of President Bush and the elec-  
16 tion of President Obama was accompanied by signs of improved rela-  
17 tions between the two nations. In May 2009, outgoing-U.S. assistant  
18 secretary of state for Latin America, Tom Shannon, visited Bolivia, the  
19 highest-level visit by a U.S. official to the Andean country in almost a  
20 year. This followed a meeting between Bolivian foreign affairs minister  
21 David Choquehuanca and Hillary Clinton in April 2009 during the Fifth  
22 Summit of the Americas, at which time they "agreed to work on a new  
23 framework agreement on such issues as commerce, cooperation and the  
24 fight against drug trafficking."<sup>38</sup>

25 How do the drugs and trade issues in U.S.-Bolivian relations fit into  
26 a discussion of pragmatism versus ideology? Should Morales have sup-  
27 ported Washington's push for zero-tolerance of coca cultivation, it would  
28 have cut deeply into the support he enjoys from the *cocalero* unions and  
29 producers. Given that they form a base of his electoral support, such a  
30 policy could have cost him dearly in his reelection bid in December 2009.  
31 As with the issue of trade, Morales sought to maintain relations with the  
32 United States, while reducing economic and political dependency. The  
33 presentation of this to the domestic audience in ideological terms may  
34 have reflected his personal beliefs, but also reflects the complex interplay  
35 between ideology and pragmatism.

#### 37 **BOLIVIA AND CHILE: TALKING PAST EACH OTHER**

38  
39 There are some historical positions and claims that will continue, regard-  
40 less of the ideological stance of the Bolivian president. Such is the case  
41 with the country's strained relationship with Chile and the persistent  
42 rumblings of the territorial dispute between the two countries that

1 has lasted more than a century. Regardless of the party of the Chilean  
2 president, La Paz's relationship with Santiago is unlikely to improve in  
3 the near future; however a change for the worse could occur if the new  
4 president—the conservative nationalist Sebastián Piñera—turns out, as  
5 seems likely, to be indifferent to Bolivian sensibilities on the issue.

6 The disastrous War of the Pacific (1879–1884), which pitted Peru  
7 and Bolivia against Chile, cost Bolivia its Pacific coastline and turned it  
8 into a landlocked nation. Chile has since refused to return the disputed  
9 territory and diplomatic relations were only reestablished in 1978. The  
10 issue remains a deep-rooted source of historical resentment in Bolivia,  
11 for which only the return of lost lands and access to the coastline will  
12 compensate.<sup>39</sup>

13 With no access to the sea, Bolivia is forced to use either Peruvian or  
14 Chilean ports for vital imports and exports on which its economy depends.  
15 For financial as well as symbolic reasons, Peru has explicitly built facilities  
16 to accommodate the export of Bolivian natural gas to the international  
17 market at Ilo. Meanwhile, Morales continued to seek Chilean agreement  
18 for a Bolivian-controlled corridor to the sea, through negotiations with  
19 former Chilean presidents Ricardo Lagos and Michelle Bachelet. Despite  
20 the lack of success in these talks, a degree of pragmatism prevailed in the  
21 continuation and deepening of trade relations between the two countries,  
22 furthering the possibility of rapprochement.

23 The Bolivian head of state attended the inauguration of the new  
24 Chilean president, Sebastián Piñera and expressed his solidarity when a  
25 major earthquake struck Chile in March of 2010. Morales clearly aims to  
26 improve his country's relations with Chile, yet with the one goal of some  
27 kind of agreement on Bolivian access to the Pacific.

#### 29 OTHER ASPECTS OF BOLIVIAN FOREIGN POLICY

30  
31 At the regional level, Morales has sought to raise the profile of his coun-  
32 try within different regional blocs. Bolivia is a key member of ALBA  
33 (Alternativa Bolivariana para América Latina) and has shown support  
34 for a number of its initiatives, including the creation of a regional cur-  
35 rency. Morales has also expressed strong support for UNASUR (Unión  
36 de Naciones Sudamericanas)<sup>40</sup> in its attempts to strengthen regional  
37 cooperation and solidarity and reduce U.S. influence in the region. In  
38 a speech after a UNASUR meeting held in response to the September  
39 2008 protests in Bolivia, Morales declared that “for the first time in the  
40 history of South America, the countries of our region are deciding how  
41 to resolve our problems without the presence of the United States.”<sup>41</sup>  
42 Additionally, Bolivia remains a member of CAN (Comunidad Andina

1 de Naciones), despite ideological differences with the administrations in  
2 Colombia and Peru and ideological opposition to negotiations with the  
3 European Union to achieve a free-trade agreement. Morales's backing of  
4 ALBA and UNASUR, combined with his rejection of CAN's perceived  
5 neoliberal orientation, reflects an ideological stance that backs a certain  
6 form of regional integration based more on solidarity and cooperation  
7 than free trade.

8 Despite historically close relations and strong commercial ties with  
9 Peru, Morales has had fractious relations with the Alan García admini-  
10 stration over the course of the last several years.<sup>42</sup> As a result of tensions  
11 among indigenous communities in Peru's northern region, diplomatic  
12 and personal relations between García and Morales became tense, with  
13 Morales accusing García of following Washington's line in a conflict  
14 that has clear ideological undertones. Yet despite ideological differences  
15 between the two leaders, trade between the two Andean countries has  
16 steadily increased. A July 2010 report by the Peruvian news agency *Andina*  
17 quotes an optimistic Peruvian ambassador to Bolivia, Manuel Rodríguez  
18 Santos, as saying "[b]y the end of 2009, trade exchange between both  
19 nations was US\$600 million and it could easily double in the next four  
20 years thanks to the complementarity of their economies."<sup>43</sup>

21 Morales also has sought to pursue a pragmatic and proactive policy  
22 of diversifying Bolivian relations among extra-hemispheric powers. Here  
23 he is seeking to strengthen investment with a range of nontraditional  
24 partners, including Russia, China, Vietnam, Japan, Iran, and France, as  
25 well as several Arab nations, as shown by his attendance of the Second  
26 Summit of Arab and South American Heads of State held in Qatar.  
27 Nevertheless ideology remains influential as reflected in Morales's deci-  
28 sion to break off relations with Israel in January 2009 following Israel's  
29 invasion of the Gaza Strip.<sup>44</sup>

30 Closer relations with countries such as Iran and Russia reflect a  
31 complex mix of pragmatism and ideology. On a pragmatic level, they  
32 have certainly accounted for a positive yield in terms of trade agree-  
33 ments and investment opportunities; for example, Moscow has offered  
34 La Paz US\$100 million in military credit with no strings attached and  
35 relations with Iran promise to bring increased trade and investment.  
36 Furthermore, a widening circle of allies and partners is a highly prag-  
37 matic policy. However, they also contain an ideological dimension, not  
38 as has been alleged, in terms of support for nondemocratic regimes,  
39 but rather to highlight Bolivia's right and freedom to establish an  
40 independent foreign policy, which provides pragmatic benefits for the  
41 nation.

1 A final example of the evolution and diversification of Morales'  
2 foreign policy was the hosting of the World People's Conference on  
3 Climate Change and the Rights of Mother Earth in Cochabamba in  
4 April 2010. While it is highly unlikely that the conference will change the  
5 international approach to global warming, it allowed Bolivia to put itself  
6 forward as representative of indigenous and environmental demands on  
7 a global level, and also as an important representative of the "Global  
8 South," raising its international profile, playing well to domestic audi-  
9 ences, and reflecting a consistent ideological stance.

### CONCLUSIONS

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12  
13 Evo Morales was reelected to the Bolivian presidency in December 2009,  
14 obtaining 63 percent of the vote, 36 percent ahead of his closest competitor.  
15 His party, MAS, has also gained control of the country's two legislative cham-  
16 bers. In spite of domestic instability and powerful opposition, Morales has  
17 maintained the support of the majority of the population through a combi-  
18 nation of political skill, artful negotiations, and strategic compromises.

19 Although keen to avoid the label of a protégé of Chávez and to "resist  
20 unquestioned loyalty to any single ideological bloc,"<sup>45</sup> Morales has main-  
21 tained a special relationship with Venezuela, based on personal friend-  
22 ship and shared ideological positions, but also on pragmatic advantages  
23 for Bolivia in terms of economic benefits. Likewise, relations with the  
24 United States have contained a strong ideological element, yet at the  
25 same time, have remained sufficiently utilitarian in terms of upholding  
26 bilateral trade relations. This mix of ideology and pragmatism is also  
27 evident in relations with Brazil, which produced an ostensibly ideologi-  
28 cal confrontation resulting in pragmatic gains for Bolivia. Overall, while  
29 Morales's foreign-policy initiatives have often followed an ideological  
30 line, this is often intended for a domestic audience, and in reality he has  
31 consistently shown himself abroad to also be a pragmatist, ready to adjust  
32 his foreign policy if necessary.

33 Ideological discourse then, often combines with pragmatism in prac-  
34 tice. Morales has a clear, long-term vision of Bolivia's revolution, of where  
35 the country should be heading, and how it will get there. He recognizes  
36 the gravity of the country's many domestic problems, as well as how its  
37 vast resources could be used to alleviate poverty, exclusion, and inequal-  
38 ity. Above all, he appears to understand how to combine ideology and  
39 pragmatism to create a flexible, pragmatic, and ideologically coherent  
40 foreign policy aimed at limited but realistic gains, in order to further his  
41 vision of the national interest.  
42

## NOTES

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