

Roots of Resistance to Urban Water Privatization in Bolivia: The  
"New Working Class," the Crisis of Neoliberalism, and Public  
Services

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Abstract: This paper analyzes the roots of resistance to the privatization of public services in the context of the changes to class formation in Bolivia. Based upon two case studies of urban water privatization, it seeks to explain why the social coalitions that have emerged to protest the privatization of public water services in Bolivia have been led by territorially-based organizations composed of rural-urban and multi-class alliances rather than public sector unions. It argues that protest against the privatization of water utilities in Bolivia must be understood within the context of neoliberal economic restructuring and the emergence of what has been termed the "new working class," which is now primarily urban and engaged in informal forms of work.

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Roots of Resistance to Urban Water Privatization in Bolivia: The  
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Services<sup>1</sup>

"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."

-Thomas Kruse, Investigator on labor issues in Bolivia<sup>2</sup>

On December 18, 2005, Bolivia hit the international news with the announcement that the country elected its first indigenous president, Evo Morales. Winning an unprecedented 54 percent of the popular vote, Morales' party, el Movimiento al Socialismo (Movement towards Socialism, henceforth the MAS) rode into office on a wave of protests that rocked the small Andean country for more than five years. The Cochabamba Water War is widely credited as the event that started it all. In April 2000, residents of the Cochabamba Valley successfully expelled a powerful multinational corporation that had been given monopoly control over the urban water supply. After fifteen years of ineffective resistance against neoliberal structural adjustment policies, the Water War opened a new cycle of protest that forced the renunciation of two Bolivian presidents within two

years and helped to define what promises to be a new era in Bolivian politics.

Locally, the Water War and the events that followed have inspired much theorizing about the "new social subjects" which have successfully contested neoliberalism in Bolivia. At the heart of the resistance struggle in the Cochabamba Valley was a rural-urban, multi-class alliance called the Coordinadora de Defensa del Agua y de la Vida (Coalition for the Defense of Water and Life, henceforth the Coordinadora), which appeared to overcome some of the problems associated with 'old' forms of social movements, particularly trade unions. Bolivian sociologist (and now Vice President) Álvaro García Linera argues that organizations such as the Coordinadora "do not create a border between members and nonmembers in the way that the unions used to do."<sup>3</sup> According to this view, trade unions with their struggles over legal contracts, closed membership and hierarchical leadership structures no longer represent the interests of the majority of the population, especially those engaged in informal types of work. In contrast, the Coordinadora, which fights for the right to water, "the source of all life", is a better vehicle for organizing the working class because the only criterion for membership was active participation in the daily struggles.

While most evaluations of the Cochabamba Water War have rightly stressed the importance of building coalitions amongst different groups in the struggle against neoliberalism, this investigation focuses on the inherent tensions that emerge within such coalitions and the manner and degree to which these tensions can limit their effectiveness at raising living standards for all. More specifically, five years after the Water War, tension has emerged within the Coordinadora between consumers, who have lobbied to lower the costs of goods and services, and the workers who produce those services, who have sought to improve, or at least preserve, their wages and working conditions. I argue that while consumption issues such as access to potable water are an essential part of the broader working class struggle, organizations that focus on lowering the price of wage goods at the expense of workers' struggles for better wages and working conditions risk contributing to the decline of the working class as a whole.

The following begins by placing the resistance struggles against the privatization of urban water utilities in their historical context, providing a synthetic account of the recent changes to the Bolivian political economy under neoliberalism. The second section explains why "territorially-based" organizations such as the Coordinadora came to replace "class-based" organizations in Bolivia with the rise of the so-called

new working class. The third and fourth sections describe the social composition of the coalitions that emerged to contest water privatization in Cochabamba in 2000 and El Alto in 2005, followed by a specific analysis of the Cochabamba case five years after the Water War.

#### From State Capitalism to Neoliberalism, 1952 to 2005

The high level of resistance to neoliberalism in the past decade in Bolivia relates in part to the severity of its impact in the country. Bolivia was widely heralded as a "star reformer" that pursued one of the most ambitious—and harshest—structural adjustment programs on the continent.

The neoliberal structural adjustment policies introduced in 1985 aimed to systematically dismantle the policies and practices of the developmental state established after the national-popular Revolution of 1952. The revolutionary government embarked on an ambitious plan to develop the economy along state-capitalist lines. The tin mines, which were previously controlled by three men known as the 'tin barons', were placed under national control and direct foreign investment was limited. During the Revolutionary period, the tin mines provided the Bolivian state the bulk of its hard currency and formed the base for a radical, highly-centralized trade union movement headed by the Bolivian Workers' Central (Central Obrera

Boliviana, henceforth COB). The COB brought together unions from the "proletarian", "peasant" and "middle class" sectors, but its leadership has always been drawn from the militant miners' unions, which played a leading role in the popular class struggle in the post-revolutionary period.

After a post-revolutionary period of military rule that began in 1964, the Leftist coalition government elected in 1982 after the restoration of democracy came to office under extremely unfortunate circumstances. The government inherited an unmanageable debt-load, largely accrued by an unaccountable elite who preferred to transfer their earnings overseas rather than invest in Bolivia. In an attempt to redistribute the social wealth after decades of hardship and repression, the government adopted an expansive wage policy. The economic situation quickly spiraled out of control when the price of commodities, particularly tin, crashed in the mid-1980s. The low level of capital formation, and the consequent government inability to collect revenue while being held to unsustainable social expenditures led to spiraling hyperinflation, wiping out overnight what little savings people managed to scrape together.<sup>4</sup>

The response to the crisis was an "orthodox shock" therapy program designed by the International Monetary Fund and implemented by the Bolivian state. The "New Economic Policy" (NEP) was much more than an economic policy. It was in fact,

nothing less than a new ideological and philosophical framework to redefine Bolivia's future economic, social, and political choices. Under the NEP, the government closed down the majority of its mines, reducing the workforce from 30,000 in 1985 to around 7,000 in 1987, and hence demolishing the base of the organized labor movement. While the miners' union accused the government that it "was bent on destroying their economic power in order to crush [their] political power", the closing of the mines was also quick solution to the 'problem' posed by the unprofitable state mining company and the militant unions, whose wages placed a heavy strain on the government budget.<sup>5</sup> The government also dismissed another 31,000 public service workers (out of more than 200,000) and 35,000 manufacturing jobs were lost by the end of the decade due to economic contraction.<sup>6</sup> In this early stage of the process, the government could not yet muster the political support needed to shed all state enterprises—a task that was taken up during the second stage of neoliberal restructuring.

One of the original architects of the NEP, Gonzalo Sánchez de Lozada, was elected president in 1993. Although he only won 34 percent of the popular vote, he formed a pact with two other traditional political parties, which together pushed a controversial privatization program through Congress. The program, which was designed by a small group of technocrats

working closely with Sánchez de Lozada, intended to limit social opposition to the sale of what had long been considered by Bolivian citizens to be their national patrimony.

Euphemistically called "capitalization", half of the shares in public companies in the major sectors of the economy—energy, transportation, and public services—were to be sold to foreign companies and the other half to private companies in Bolivia. The proceeds from the sales were to be distributed to all Bolivian citizens over 65 through a partially-privatized pension program.

The privatization program elicited strong criticism from across the political spectrum. The traditional left claimed that the transfer of state property to private enterprises was "unconstitutional", while the right opposed the denationalization of enterprises that it considered strategic. The military, remembering Bolivia's defeat by Chile in the War of the Pacific in 1883, took particular offence at the sale of the railway company to a Chilean firm, arguing that it was a threat to national security and an insult to the country's honor.<sup>7</sup>

The results of the privatization program were as disappointing as predictable. In fact, more than half of the shares were transferred to foreign companies and the newly "capitalized" enterprises were placed under the control of

multinational corporations, including the municipal water utilities in La Paz-El Alto and Cochabamba in 1997 and 1999, respectively. Shortly after its privatization, the national railway was shut down, isolating many rural communities that depended on the railway for access to essential services and markets. Despite the government's promise that the privatized enterprises would create thousands of new jobs, 14,000 workers were laid off from privatized enterprises. With little state control over the pension program, the privatized companies divert their revenues elsewhere instead of making the promised contributions and the government had to borrow \$44 million to make the first payments, thus deepening the debt burden.<sup>8</sup>

In a nutshell, two decades of neoliberalism engendered profound structural changes in the Bolivian political economy. The state, once the main employer, was no longer a provider of goods and services, and limited its role to regulation and social repression. The labor movement, once the leader of the popular struggle, has been debilitated.<sup>9</sup> In recent years, however, new actors have emerged to contest the polarization of society such as the Coordinadora (mentioned above), and the Federación de Juntas Vecinales de El Alto (the Federation of Neighborhood Councils of El Alto, henceforth, the FEJUVE). Unlike earlier working class organizations in Bolivia, the Coordinadora and the FEJUVE are not organized under a trade

union banner. Rather, they focus on "neighborhood issues" relating to living conditions and not "workers' issues" relating to work and employment. To understand the nature and political saliency of these "territorially-based" organizations requires a more detailed examination of the factors that have created the "new working class".

### The "New Working Class" and the Challenge of Mobilization

The deepening of neoliberal capitalism has engendered two trends that have introduced new dynamics in working class politics—accelerated urbanization and the decline of trade unions. First, within the past twenty years there has been a profound demographic shift. For most of its history, Bolivia has been a rural, agrarian society. During the colonial period, the majority of "Indios" lived in the countryside and performed servile labor duties on haciendas and in the mines established by the Spanish and their Creole descendants. The cities were divided into separate zones for the elite white minority and the "Indio" majority. Indians could not vote, nor set foot in the central square of the capital La Paz. Liberal reforms enacted by the revolutionary government ended legal forms of discrimination, but a deep racial divide between the k'ara (white people) minority and the indigenous majority remains to this day.<sup>10</sup>

By contrast with the past, sixty percent of the Bolivian population now lives in its three major urban areas. Between 1976 and 1992 the population in urban areas grew by 4 percent per year, continuing to grow at nearly the same rate throughout the 1990s. El Alto, the satellite city of La Paz, grew from 11,000 in 1950 to almost a quarter of a million in 1985, and it reached about 650,000 in 2001 and over 800,000 in 2006, making it Bolivia's third largest city, with a population nearly the size of La Paz. Cochabamba, Bolivia's fourth largest city, had a population of 220,000 in 1976 and nearly doubled to 536,000 in 2001. While the majority of migrants to Cochabamba previously came from the surrounding region, when the mines were closed in the mid-1980s, migrants also flooded in from the altiplano, the high plateau where the capital La Paz and the mines are also located. Most of these migrants moved to shantytowns located at the peripheral areas of cities that lack basic infrastructure such as paved roads, water, sewerage, and garbage collection.<sup>11</sup>

These urban areas have become sites of an explosive mix of class, ethnic, and racial identities.<sup>12</sup> While space constraints do not permit the lengthy discussion that this topic deserves, the changing relationships between peasants and miners from 1952 to present provides a partial explanation of why contemporary social struggles are no longer framed in class terms. The

overwhelming majority of peasants and miners share a common indigenous heritage. The majority of the population in western Bolivia are descendants of two ancient empires. The Quechua, the dominant group in the central valleys are descendants of the Inca, who established a colony in the Cochabamba Valley in the mid-fifteenth century. The Aymara of the Andean altiplano were also conquered by the Inca, but retained their languages, and autonomous social, economic, and even political structures in an area known as the Kollasuyu. Both the Quechua from the Cochabamba Valley and the Aymara from the altiplano joined a common struggle to oust foreign monopolists in the Revolution of 1952.<sup>13</sup> Since the Revolution, however, the relations between miners and peasants became increasingly tense. Despite their common indigenous heritage, miners tended to view peasants as "backwards" politically. As Bolivian historian Silvia Rivera Cusicanqui writes, this animosity is in large part due to the fact that rural peasant unions "were increasingly used as a basis of support for the government's anti-worker policies" as the relationships between the miners and the state deteriorated over the post-Revolutionary period.<sup>14</sup> These tensions came to a head with the formalization of the "military-campesino pact" (1966-1977), under which violent conflicts ensued between peasants supported by the military and the miners.

The "relocation" of many miners and peasants to the cities and the shared experience of racism and economic hardship have facilitated the construction of new forms of identity within the urban environment. Indeed, while "Indios" were traditionally thought to only live in rural areas in Bolivia, a strong process of indigenization has taken place in towns and cities as well.<sup>15</sup> Since statistics have been collected on indigenous identity, the number of Bolivians reporting indigenous heritage has grown. In the last official census of 2001, 62 percent of respondents over 15 years of age self-identified as "indigenous," making Bolivia the most indigenous country in South America.<sup>16</sup> With the decline of class-based organizations such as the COB and the recent influx of former miners and peasants to the swelling cities, the axis around which popular struggles have been organized has slowly turned from class to racial/ethnic exclusion.

The second important trend that explains the nature and characteristics of the organizations fighting privatization in Bolivia is the emergence of what has been dubbed the "new working class", which is now primarily urban and engaged in informal forms of work. While the informal sector has always been sizable, it is no longer thought of as the "backward" sector that would eventually be phased out with economic development. Indeed, it has proven to be the most "dynamic" sector of the economy. One study estimates that in the 1990s, 9

out of 10 new jobs in Bolivia that were created in Bolivia were informal jobs. Most individuals employed in the informal economy, however, are "highly vulnerable" workers who lack labor and social protection such as contracts, severance pay, social welfare benefits, etc.<sup>17</sup>

Labor organizers face a daunting task in the neoliberal context. Changes to labor legislation ushered in with the NEP prohibited the organization of workplaces with fewer than twenty workers into trade unions. Far more challenging than these legislative reforms, however, are the structural conditions that inhibit the formation of workplace organizations. As Oscar Olivera, the former shoe-factory worker and union leader who became a principal spokesperson of the Coordinadora, explains, the growing informalization of work has seriously hampered the capacity of "those who do not live off the labor of others" to organize as a class.<sup>18</sup> Most men and women employed in the informal economy are self-employed and therefore not in a position to join a conventional workplace-based union. The informalization of work has also lead to the dispersal of workers, who now work as street vendors in market stalls (men and women of all ages), as casual laborers in the construction and building trades (mostly men), or in middle-class peoples' homes as domestic servants (mostly women). The physical dispersal of workers has inhibited the formation of strong

collective identities connected to the workplace, as was the case in the mining communities of Bolivia's recent past. Within this highly segmented labor market, tensions have emerged between full-time workers who enjoy the protection of contracts and labor legislation versus unprotected workers in the informal economy. Olivera observes that:

The new working class has, so far, found it extremely difficult to project itself as an active social subject with sufficient personality to launch convincing mobilizations, to generate demands that motivate large numbers, or with even less success, to put forward practical proposals that incorporate the demands of other social sectors.<sup>19</sup>

There is wide agreement amongst scholars and activists that new organizing strategies are necessary to overcome the societal fragmentation engendered by neoliberal restructuring, but few trade unions have risen to the challenge. Oscar Olivera's union of private manufacturing workers, the Federación de Fabriles de Cochabamba (Federation of Manufacturing Workers of Cochabamba, henceforth Fabriles), is a notable exception. Under Olivera's leadership, the Fabriles have looked for creative ways to overcome the barriers to working class mobilization, such as integrating demands for wages and working conditions as part of a broader platform for economic and social justice. Based upon

his experience during the Cochabamba Water War, Olivera argues that organizing multi-class alliances involving all groups negatively affected by neoliberalism around "the basic necessities of life" is a potential way to overcome the fragmentation of the working class.<sup>20</sup>

### The Cochabamba "Water War"

Water was the issue that detonated two of the most effective protests in Bolivia in the past five years—the Water Wars in the cities of Cochabamba in April 2000 and in El Alto in January 2005. Both protests succeeded in pressuring the government to cancel privatization contracts with multinational corporations.<sup>21</sup> Given the two trends noted above, it is not surprising that these struggles have not been led by trade unions, but rather by "territorially-based" organizations that bring together people from different walks of life with common concerns that relate to their neighborhood or region.

Cochabamba is the site of one of the most famous and spectacular incidences of privatization failure that has since become an icon in the anti-neoliberal, anti-globalization movement. In September 1999, government authorities granted a private concession to Aguas del Tunari (henceforth Tunari), a "ghost" company formed by a consortium in which International Water Limited (a subsidiary of the US-based multinational,

Bechtel) held a majority share. A month and a half later, the government passed Law 2029, which granted monopoly rights over water sources to private companies, in order to promote privatization in the water sector. Both the timing of the legislation and the stipulations of the contract set the stage for social conflict. The contract committed Tunari to expand the water network through the construction of an expensive dam project. It was to accomplish this task although it inherited some of the debts accrued by the former public utility, the Servicio municipal de agua potable, alcantarillado y desagües Pluviales (SEMAPA for short), and was guaranteed an average rate of return on capital of 16 percent for 40 years.<sup>22</sup> Since the World Bank dictated that no public funds could be channeled to the utility in Cochabamba, this money had to come from the users themselves. The Tunari contract and the new water law also granted exclusive property rights over water to concessionaires, which meant that residents within the concession area could be charged for collecting water from their own wells. Under the law, concessionaires could also apply to draw on water resources in the region surrounding the concession area, which raised the ire of the indigenous peasants in the Cochabamba Valley who depend on water for irrigation.

The city of Cochabamba is located in a dry, fertile valley and there is a lot of competition over water use for both

domestic and productive purposes. Due to its scarcity, water has long been one of the most important political issues for all citizens in the Cochabamba Valley. As graffiti scrawled on a building in the centre of Cochabamba reads: "I drink water, therefore I exist, therefore I vote." At the time of privatization, almost half of the urban population was not connected to the public water system. The problem was the most acute in the poor, Southern area of the city known as the "Zona Sur" (South Zone). Since SEMAPA never extended its network into these communities, most residents in the Zona Sur have built their own independent water systems. In the words of Abraham Grendydier, the president of the Asociación de los Sistemas Comunitarios de Agua en el Sur (Association of Communal Water Systems of the South, henceforth ASICA-Sur), communities in the Zona Sur had to dig their own wells to provide drinking water because:

It is a zone of very few economic resources, where humble people from different departments and provinces have migrated because of drought in the altiplano and the relocalization of the miners...But the government has never offered us any solutions, or the mayors, or the prefecture, or the water company.<sup>23</sup>

The members of these community water systems invested time and money building these independent systems with little help from the state, and they became angry when the government granted a foreign private company the right to charge them for their own well water.

The indigenous peasant farmers from the surrounding region were also angry that the government failed to respect their right to water. For several decades, conflicts over water have erupted between small farmers and government authorities. Seven years before the Water War, the government sent in the military to break blockades erected by small farmers in Quillacollo (13 km from Cochabamba), who were trying to prevent SEMAPA from drilling deep wells for the city's water supply. The conflict was resolved peacefully when the government and SEMAPA promised to find another way to solve the city's water problem.<sup>24</sup> In 1997, these farmers founded Federación Departamental de Regantes y Sistemas Comunales del Agua Potable (Federation of Irrigator's Associations from the Department of Cochabamba, henceforth FEDECOR) in order to protect their water rights, or their "usos y costumbres" (uses and customs). The members of FEDECOR argue that these rights are inalienable because they have "[e]xisted since antiquity and come from our ancestors. Water comes from the Pachamama [the pre-Hispanic fertility deity], who is the earth who gives us life."<sup>25</sup>

Months before the signing of the Tunari contract, a Committee for the Defense of Water and the Family Economy (Comité para la Defensa del Agua y la Economía Familiar, CODAEC), comprised of FEDECOR, various urban water committees, and an informal coalition of environmentalists who named themselves People on the Move (El Pueblo en Marcha, PUMA), warned the public that rates under a privatized company would rise by as much as 175 percent over the short term.<sup>26</sup> In November 1999, peasant farmers and independent water users associated with CODAEC, blockaded roads around Cochabamba to protest the terms of the contract and the new water law. Later that month, groups of urban consumers and water users merged to form the Coordinadora. By December, urban water bills showed the anticipated price hikes, even though water services had not improved. Poor families, which had access to water only two or three hours a day, saw their bills increase by as much as 200 percent.<sup>27</sup> Some found themselves paying 20 percent of their monthly income for water, four times more than the limit recommended by the Pan American Health Organization.

The Coordinadora found it relatively easy to mobilize people, who had already suffered recurring economic crises that many of them linked to neoliberalism. In early February 2000, the Coordinadora organized a peaceful takeover of the city ("toma pacífica") to pressure the government to freeze the rate

hikes and remove the monopoly provision from the contract and water legislation. Over 50,000 people participated in marches and blockades that shut down the city for 24 hours. Although the organizers assured the authorities that the protests would be peaceful, the central government sent in motorcycle cops from La Paz known as "the Dalmatians" (las dálmatas), famous for their black and white uniforms and their use of violent tactics. After hundreds of protestors were injured in conflicts with the police, the Coordinadora and the government reached an agreement, which gave the government two months to return water tariffs to their previous level and revise the contract and water legislation to recognize indigenous users' rights to water resources.

By the time the deadline expired, the government failed to fulfill its promises. Growing increasingly frustrated, the Coordinadora radicalized its demands, calling for the outright cancellation of the contract and an overhaul of the water legislation. The Coordinadora called an indefinite, city-wide strike to force the government to listen. On April 4, the first blockades were erected by the militant peasant organizations on the main roads to the city. Protest escalated rapidly thanks to sympathetic coverage in the press, incorporating the poor and the middle classes from the urban areas. Within two days, there were over 100,000 people occupying the streets chanting, "The

water is ours, damn it!" ("El agua es nuestra, ¡carajo!") and the entire centre of the city was blocked. Residents coming from the outskirts of the city also helped to reinforce the blockades. As Oscar Olivera describes, during the first days of the "final battle", the government was careful not to provoke the protestors:

The government learned one lesson from February: they did not bring out a single soldier or police officer. I remember people standing in the roads with bottles filled with liquid. I asked one woman what she intended to do with her bottle. "Oh," she said, "since February we've been making these bottles with water and oil." "But why?" I asked. She replied, "To throw at the dálmatas!"<sup>28</sup>

As the protests grew larger, President Hugo Banzer [a former military dictator,] declared a state of siege and dispatched riot police to control the crowds with tear gas, rubber bullets, and live ammunition. On April 6, over a hundred people were wounded and twenty-two organizers from the Coordinadora, including Oscar Olivera, were arrested by police. The organizers were released on bail a few hours later with the help of the Archbishop of Cochabamba, who declared his support for the Coordinadora. Conflicts between protestors and police continued and on April 8, an innocent by-stander, 17-year old Victor Hugo Daza, was shot dead by a sniper. The arrests and the murder

precipitated a furious response from the protestors, galvanizing the population against the government. Sympathy blockades were also organized by campesinos in the altiplano and Evo Morales's powerful coca growers' association in the neighboring Chapare. Meanwhile, the government refused to negotiate with the Coordinadora, claiming that it was a small organization led by a few individuals financed by drug-trafficking.

Finally, on April 9, the government finally gave in. In the words of Vice Minister Jose Orías, who was sent by the government to negotiate with the Coordinadora, it became apparent that the Coordinadora "was not just five vandals, but rather one hundred thousand people in the streets ready to do anything". The agreement signed between the government and the Coordinadora guaranteed the withdrawal of Tunari, transferred the water utility back to the municipal government, and assured the release of detained protesters. On April 11, Congress passed a law executing the decision and the blockades within the city were dismantled the following day. The peasant farmers, who emerged as the most militant participants in the protests, maintained blockades for another day until the Congress passed a new water law (Law 2066) that recognized their rights to "usos y costumbres".

The coalition that formed the Coordinadora brought together diverse groups from a wide array of civil society in a way that

"ruptured the rural/urban dichotomy that characterizes politics in many countries of the South."<sup>29</sup> As has been noted in the burgeoning literature on the Water War, the coalition was also diverse with respect to gender and race. Women played an active role in the daily aspects of the struggle, although few took leadership positions. Indigenous peasants, mestizo leaders such as Oscar Olivera, and "white" urban professionals played key roles as leaders and spokespersons. The coalition was also "multi-class" with respect to the fact that it brought together urban professionals, unionized workers, and informal workers together with peasants from the surrounding area.<sup>30</sup>

At the time of the Water War, however, public sector trade unions were notably absent. While the Fabriles played an important role in the Coordinadora, providing ideological leadership and office space, the union that represents the workers of the public utility played a much less visible role. Indeed, they did not even participate in the street protests of February or April. In an interview, union leader René Cardona explained that workers supported the mobilization by providing an essential service, which required that they stay at work.<sup>31</sup> He emphasized, however, that the leaders from the union did attend meetings of the Coordinadora at the time of its founding and consider themselves members of the Coordinadora. As we shall see further below, the leaders of the SEMAPA union have played an

important, yet controversial role in restructuring the public utility.

### Bolivia's "Second Water War" in El Alto

The Cochabamba Water War started a process of wider grassroots mobilization that spread across the country, eventually inspiring the next conflict over urban water privatization in El Alto in January 2005. In 1997, a private consortium controlled by the French company Suez named Aguas del Illimani (henceforth, "Illimani") was granted a private concession to run the local water supply. Local papers report sporadic protests against Illimani at the time of privatization and in the years that followed, but it was not until 2004 that the resistance strategies became more effective. This time there were no irrigating peasants, but similar to Cochabamba, poor, indigenous urban consumers and those who lacked access to a safe water supply were the main protagonists of the story.

El Alto is perched on the edge of the 14,000 foot high altiplano overlooking a steep canyon that cradles the capital city La Paz. The majority of "white" people live in the wealthy neighborhoods of located at the bottom of the canyon, where the climate is more moderate. The majority of the poor and overwhelmingly indigenous people live on the steep hills that climb the canyon known as "las laderas" (literally, the ladders) or in the neighboring city of El Alto. El Alto is the poorest

city in Bolivia. By no coincidence, it is also Bolivia's most indigenous city. In the last official census, over 82 percent of respondents self-identified as "indigenous", predominantly Aymara. In the past five years, the population of El Alto has been at the centre of the indigenous movement in Bolivia.

At the head of this struggle is the militant "territorially-based" organization, Federación de Juntas Vecinales de El Alto (the Federation of Neighborhood Councils of El Alto, henceforth the FEJUVE). The FEJUVE is the executive structure that agglutinates more than 500 grassroots associations of residents (junta vecinales) that have been created by residents at the neighborhood level. To participate in a local junta vecinal, there is only one requirement: one must establish proof that he or she has resided in the zone for at least two years. Local committees and the city-level executive are elected every two years and all positions are voluntary.

The executive of the FEJUVE, who tend to be more moderate than the base, present their demands in terms of "neighborhood" interests rather than polarized race or class terms. In an interview, Abel Mamani, President of the FEJUVE during the second Water War, described the struggle for the right to water in El Alto as follows:

I do not see a difference between the residents of La Paz and those from the city of El Alto. I have also lived in the city of La Paz...I have family in Villa Favón [a neighborhood in La Paz], and in all the zones of La Paz... Therefore I believe that we all have necessities no matter where we live or who we are.<sup>32</sup>

Traditionally, most of the demands of the FEJUVE have been related to basic services (education, healthcare, water, electricity, cooking gas, etc.), which by most definitions are working class concerns. Although the FEJUVE is not formally an indigenous organization, given the demographics of El Alto the membership and leadership of the FEJUVE are predominantly Aymara. Amongst the executive of the FEJUVE, for example, one finds many men and women named "Mamani" and "Quispe", the Aymara equivalents of the British "Smith" and "Jones".

The tragic events during the first "Gas War" of 2003 put El Alto on the region's political map. In October 2003, an estimated 80 people lost their lives in a struggle to prevent the export of natural gas through Chile. The following year, new leadership elected to the FEJUVE took on the mandate to advance the "October Agenda." Suddenly, not only was FEJUVE working on local issues, but also on national political demands such as the call for a Constitutional Assembly and the nationalization of natural resources, two demands that were imprinted in the public

consciousness as a result of the Cochabamba Water War. The struggle against Illimani in El Alto is therefore perceived by FEJUVE members as part of a much broader political project to restore Bolivia's economic sovereignty.<sup>33</sup>

The Illimani contract was considered to be "pro poor" by international financial institutions because it focused on expanding the number of new connections rather than reducing tariffs. Indeed, Illimani made enough new connections to allow the government to claim that the company achieved 100 percent coverage for potable water in both La Paz and El Alto within the first four years of the contract. What was seldom mentioned, however, is that this statistic referred to a small area within the total area of the concession known as the "served area." The contract was a classic example of "ring fencing," the practice of focusing service provision on profitable customers and removing obligation from extending service to the newest and most marginal settlements—the areas most in need of improvements. According to the FEJUVE, approximately 200,000 people in El Alto did not have access to Illimani's services because they live outside the "served area" defined by the contract. An additional 70,000 people without water and sewerage lived within the served area but could not afford the US\$445 connection fees, the equivalent of almost nine monthly salaries. As a title of a pamphlet circulated in El Alto in November 2004,

these were just two of the "14 Reasons to Break the Contract with Aguas del Illimani".

The FEJUVE started to negotiate with the government in mid-2004 asking it to change the terms of the contract. After nearly six months of fruitless negotiations, the FEJUVE called a general strike to begin on January 9, 2005. The timing of the strike turned out to be fortuitous since civic strikes were later called in the department of Santa Cruz for January 11-12 over the rising cost of gasoline. On the first day of the El Alto strike, thousands of citizens took to the streets yelling the slogan popularized during the Gas War, "El Alto on its feet, never on its knees!" On January 11, residents of Ballivian and Alto Lima, two neighborhoods that lie outside of the "served area", seized several Illimani facilities, including a water tank.

That day, the beleaguered President Carlos Mesa --whose predecessor had been forced to resign by popular protests-- sent the FEJUVE a letter saying he was beginning "the necessary actions for the termination of the concession contract" with Illimani. The FEJUVE gave Mesa's government 24 hours to promulgate a decree immediately canceling the contract with the water company or protestors would seize the company's central offices in El Alto. The next day, Mesa issued a Presidential Decree which formalized the government's decision. After

consulting with neighborhood councils, the FEJUVE called an end to the strike, but warned the government that it would continue pressing other demands over the price of electricity and fuel.<sup>34</sup>

Similar to events five years earlier in Cochabamba, the workers directly affected by privatization were conspicuously absent from the protests in El Alto. Indeed, the union has played a marginal role in the privatization process from start to finish. Local activists consider the union untrustworthy, since any opposition to the privatization the leaders quickly evaporated when Illimani offered workers one percent of shares in the new private water company.<sup>35</sup> Jhonny Vasquez, the Secretary General of the Illimani workers' union, explained that the company's offer turned out to be a trick:

When they told us that we would be able to buy 'preferential shares' we thought that we would have special treatment ... To the contrary, the preferential shares are not very preferential. The ordinary shares gain more interest than our shares. They are owned by Suez, an Argentinean company, the World Bank, and the Banco Mercantil...With my shares, I only make about 5 bolivianos [under U\$1] per year.<sup>36</sup>

The company also failed to keep the promise it made to the union that it would not lay-off workers, and fired 205 out of 600 workers within four years, subcontracting many services to micro

enterprises.<sup>37</sup> In 2004, the government regulator announced that Illimani had the lowest number of permanent workers (1.7) per thousand connections of any water utility in the country. The experience of privatization in La Paz-El Alto therefore confirms many workers' fears that the principal mechanism of private enterprises to increase profits and enhance competitiveness is to reduce the price of labor, and set a dangerous precedent for "efficiency" amongst Bolivian water utilities.

#### Cochabamba: Five Years after the Water War

The importance of the Water Wars for the Bolivian Left cannot be understated. In the words of Oscar Olivera, the Water War were about a lot more than water; they were a struggle for a new form of democracy "from below." Protestors' demands for a Constituent Assembly and for nationalization have since been taken up by the new MAS government. Since the Water War, Oscar Olivera of the Coordinadora also became an important figure in the international campaign for public water. The Coordinadora was therefore successful in "scaling up" its demands to the national and international levels.

The concrete results of the Cochabamba Water War at the local level, on the other hand, have been disappointing. Attempts to expand the water network—the key demand of the poor in the Zona Sur—have been frustrated by a lack of capital. For

those who were already customers of SEMAPA, service has not improved either; water continues to be supplied to many areas of the city for only a few hours a day. Five years after the Water War, local activists associated with the Coordinadora acknowledged that the work of building a truly democratic public water company is a more difficult task than first imagined.

Under a series of neoliberal administrations between April 2000 and December 2005, the Bolivian state did little to help the ailing public utility. While many of the previous debts accumulated by SEMAPA were scheduled to be forgiven under the privatization contract with Tunari, the reconstituted public company was saddled with all of its previous debts that it had accumulated over 30 years of service, which amounted to about US\$18 million. Other state institutions have also added to the debt burden demanding the payment of back debts, among them the Bolivian Internal Revenue Service and the City of Cochabamba. To make a difficult situation worse, Minister Mario Galindo threatened to make city residents pay US\$25 million in damages to Tunari's shareholders in a lawsuit launched in an international court.<sup>38</sup> As a consequence, promises to bring water to the poor neighborhoods of the Zona Sur have been delayed repeatedly.<sup>39</sup>

The public utility has faced enormous challenges of an external nature since its re-founding, but unraveling the story

of what went wrong also requires an analysis of the structure of mobilization. The coalition that formed the Coordinadora was a temporary organization that mobilized around a particular issue—the privatization of the region's water supply and water supply services. The surge of local energy that erupted in April 2000 largely ebbed when the government called off the troops and gave in to protestors' demands. The fracturing of the coalition was a result of this process, which can be explained as the results of the tensions that exist within territorially-based organizations composed by disparate social groups with conflicting concerns.

In Cochabamba, the Coordinadora aimed to democratize the water utility by exerting social control "from below" and within the management structure.<sup>40</sup> The board of directors, formerly constituted only by professionals and municipal politicians, now has three elected members from each macro district of Cochabamba. More controversially, the union was also granted a vote on the board of directors at the insistence of Oscar Olivera. This partially elected board saw the public utility through the process of institutionalization through which a new management structure was implemented and executives have been appointed through an open and competitive process. As Philip Therhorst and former elected board member Luis Sánchez describe, however, the project to exert social control over the utility remains a "work in progress."<sup>41</sup>

Since the decision to include the union on the board of directors, the leadership of the SEMAPA union has created a lot of problems. First, the union has reportedly put pressure on the management to increase the number of personnel. Before its privatization in 1997, SEMAPA had 6.38 employees per thousand connections.<sup>42</sup> By the end of 2003, the government regulator reported that the number of workers had nearly doubled to 11.5 per thousand connections. The management argued that these new personnel were needed to build the networks in the Zona Sur, but the perception of most consumers was that the increase to the number of personnel could not be justified without improving the utility's performance.

Second, the union leadership has been accused of corruption.<sup>43</sup> There are a large number of illegal connections creating commercial losses within the company. Local activists suspect that much of this illegal activity takes place with the explicit consent of a few SEMAPA workers high up within the union hierarchy who have also secured positions within the utility's management. For example, the union representative on the board of directors (2004-2006), Jorge Ortíz, was also head of the Financial Division, which has made it difficult to identify the source of the problem.

Third, the union is not democratic. Rank and file activists who want to expose corrupt practices face a chilly climate.

Internal elections within the union have not been contested for the past six years. A worker that I met in the union office argued that the leadership has been uncontested because the current leadership "does a good job," but those who do not agree with the union's practices have been fired. In April 2005, leaders of FEDECOR joined four SEMAPA workers in a hunger strike to protest against the firing of a worker who was accused of nepotism and fired without just cause.<sup>44</sup> A relationship of mistrust between the union leadership and other members of the Coordinadora has developed, which has made it difficult for the latter to take a pro-worker stance in negotiations regarding the restructuring of the utility.

The roots of this conflict go even deeper, however, than problems with corruption and the bureaucratization that pervades the SEMAPA union. At base, it is also a conflict amongst workers at different ranks within a segmented labor market. When I asked how the tensions between other members of the Coordinadora and the SEMAPA workers developed, Oscar Olivera responded:

First, unions in the public sector are very different from the private sector. Unionization in the public sector is completely impregnated with a type of co-management and there are many deals between the union and the management to maintain the status quo of an enterprise that means that they have certain privileges. I would say that the ideal

salary for a Bolivian is 3000 Bolivianos per month. In SEMAPA, the average salary is 2200 Bolivianos per month. It is a reasonable salary. But it is much higher than whatever salary in the private sector. It is a right. But it is a privileged sector that has salaries much higher than the rest of the population.<sup>45</sup>

Olivera's comments require some clarification. When the mines were under national control, the public sector mining unions were at the forefront of the popular struggle and fiercely resisted the privatization of the mines, although their efforts were ultimately unsuccessful. The public sector workers who deliver basic services such as potable water, electricity and telephone, however, have played a marginal role in the more recent struggles against privatization. Olivera also acknowledges that there has been a decline in wages and salaries in all sectors, a trend that cannot be solved by cutting workers' wages at the top of the pay scale.<sup>46</sup> Nonetheless, the income differentials among various members of the Coordinadora have exacerbated the tensions between the public sector workers that produce water services and people who buy these services.

These tensions amongst the different fractions of the Coordinadora came to a head in late 2005. Given SEMAPA's disappointing performance over the past five years, the threat of privatization has returned in a new guise: sub-contracting.

The Inter-American Development Bank (IADB) demands that SEMAPA meet certain conditions such as reducing the number of permanent workers per connection in order to receive all the installments of an US\$18 million loan. The last installments of the loans are supposed to be used to expand the network in the Zona Sur. In the struggles over how to accomplish these reforms, a major fault line has opened between the consumers of water services, who want to see the costs of services lowered to allow for expansion, and the leaders of the union, who want to protect workers from being fired. In the end, the consumers "won". In October 2005, the representative of the SEMAPA union was dismissed from the board of directors and has not been replaced. Within two weeks, the board fired 164 SEMAPA workers promising to buy back their services on a contractual basis if they formed their own "micro-enterprises".<sup>47</sup>

The issue of sub-contracting in Cochabamba raises a hairy dilemma that faces all water justice activists and managers of public services. Difficult questions arise in deciding how far reforms should go such as, how many workers are truly required to provide quality public services? And, what is to be considered a "fair wage" for public service workers in the context of the pauperization of the working class as a whole? A delicate balance must be struck between the need for quality public sector employment and consumers' rights to affordable

public services. In Cochabamba, however, the principal task of the Coordinadora from the start was to defend the rights of the urban and rural consumers of water, and not the rights of the workers who produce water services. Since these rights are viewed to be in conflict in SEMAPA, which is facing pressure from the IADB, it is not surprising that the board of directors made a decision to improve services in a way that shifts the costs of restructuring onto workers.

#### Conclusion: The Future of Public Services and the MAS

Neoliberal restructuring in Bolivia has weakened trade unions, which have traditionally been the only working class organizations with a specific mandate to improve wages and working conditions. Given the stripping of state supports for the working class in terms of subsidies for water, shelter, and food, workers without stable employment have found themselves increasingly engaged in battles with workers with stable employment who produce these basic goods and services. Under these conditions, unionized workers in the public sector face pressure to bear the brunt of cost-saving measures implemented in the name of efficiency, even from their allies. The result has been a downward spiral that affects all workers, both formal and informal, as both working and living conditions have deteriorated.

The Cochabamba experience provides several lessons for the struggle in El Alto in their struggle to define a new public water company, where activists face the same dilemmas mentioned above. There have been strong organizational links between the activists in Cochabamba and El Alto, and the latter have resolved not to repeat the mistakes of the Coordinadora. It has been difficult for the Coordinadora to sustain the level of grassroots mobilization needed to build a democratic municipal water utility. By contrast, the FEJUVE of El Alto, while a "territorially-based" organization, has a more formal structure with elected representatives, which may be more likely to sustain the social energy needed to build participatory institutions at the local level. The FEJUVE also has over twenty-five years of experience with local forms of democracy that may facilitate effective community participation in the management of the municipal utility and provide an important check on the union and the management. The FEJUVE faces the same dilemma, however, of how "efficient" service delivery can be achieved without sacrificing workers' rights to self-representation and participation within the workplace, and decent wages and working conditions. As a private corporation driven by the profit motive, Illimani found its answer easily: it lowered the cost of production by contracting out to micro enterprises that hire workers at lower wages without social

benefits. Will the FEJUVE support or reverse these trends? Given the social composition of the FEJUVE, the lead anti-privatization organization in Bolivia's largest informal city and the relationship of mistrust that has developed with the workers' union, this problem will not be resolved easily.

The difficult transition from public to private and back again in Cochabamba also suggests that the tension between workers and consumers in struggles over public services is not irresolvable but rather calls for a social transformation much greater than organizations such as the Coordinadora, the FEJUVE, or trade unions can accomplish in isolation. Indeed, a fundamental restructuring of society is required such that the social wealth is used to satisfy human needs rather than private profit. As Oscar Olivera argues, "the true opposite of privatization is the social re-appropriation of wealth by working-class society, itself self-organized in communal structures of management, in neighborhood associations, and in the rank and file."<sup>48</sup>

The MAS(Movement Towards Socialism), the leftist party which won the 2005 national elections for president and congress, has taken a few steps to remodel the economy, but Olivera's more radical vision is far from being realized. On May 1, 2006, President Evo Morales announced that his government plans to "nationalize" the country's hydrocarbon resources. Most

of the country appeared to welcome the news, but the government's announcement that it plans to purchase shares of the oil and gas companies fell short of the demands of the FEJUVE and the Coordinadora, whose members took to the streets in May-June 2005 calling for expropriation without compensation on the grounds that the contracts signed under Sánchez de Lozada are "unconstitutional". The MAS has also followed through on its promise to form a Constituent Assembly. In the elections for delegates held on July 2, 2006, the MAS won 134 of the 255 seats. Controversy has also erupted over how the MAS designed the elections, which made it impossible for the party to win the two-thirds majority needed to make deep changes to the Constitution.

On a more positive note, the MAS government has signaled its commitment to public water. The government appointed former president of the FEJUVE, Abel Mamani as the head of the newly created Water Ministry. Since Mamani's appointment, the government announced that SEMAPA will be forgiven of US\$12 million of the debt that it owes to the central government, providing more room in the budget for expansion to the Zona Sur.<sup>49</sup> As of the time of writing (mid-August 2006), there is no final decision about how Illimani will be replaced and whether the new water utility in La Paz-El Alto will be fully publicly-owned and operated. The proposal for the new water utility

includes the sub-contracting of some services, which as the Cochabamba experience demonstrates, may eventually become the next frontier in the struggle against privatization of public services in Bolivia.<sup>50</sup>

### Endnotes

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<sup>1</sup> This article is based upon personal interviews and participant observation conducted in Bolivia between July 2004 and August 2005. The research was funded by grants from the Social Sciences and Humanities Research Council and the International Development Research Centre. The author would like to thank Etienne Cantin, Jennifer Klein, Lisa North, Jeffery R. Webber and an anonymous reviewer for comments. All translations from Spanish are by the author.

<sup>2</sup> Cited in Nancy Postero, "Neoliberal Restructuring in Bolivia," A Contracorriente 2 (2005): 133.

<sup>3</sup> Álvaro García Linera, "The "Multitude", " in Cochabamba! Water War in Bolivia, ed. Oscar Olivera and Tom Lewis (Cambridge, MA: 2004), 73.

<sup>4</sup> James Dunkerley, "The Crisis of Bolivian Radicalism," in The Latin American Left: From the Fall of Allende to Perestroika, eds. Barry Carr and Steve Ellner (London, 1993), 121-138; Henry Veltmeyer and Juan Tellez, "The State and Participatory Development in Bolivia," in Transcending Neoliberalism:

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Community-Based Development in Latin America, ed. Henry

Veltmeyer and Anthony O'Malley (Bloomfield, CT, 2001), 67-94.

<sup>5</sup> Cited in Harry Sanabria, "Consolidating States, Restructuring Economies, and Confronting Workers and Peasants: The Antinomies of Bolivian Neoliberalism," Comparative Studies in Society and History 41 (1999): 535-562.

<sup>6</sup> Linda Farthing, "The New Underground," NACLA Report on the Americas 25 (1991): 18-23; Merilee Grindle, "Shadowing the Past? Policy Reform in Bolivia, 1985-2002," in Proclaiming Revolution: Bolivia in Comparative Perspective, ed. Merilee Grindle and Pilar Domingo (Cambridge, MA, 2003), 318-344; Luis Carlos Jemio and María del Carmen Choque. Employment-Poverty Linkages and Policies: The Case of Bolivia. (Geneva, 2003), 6.

<sup>7</sup> On the privatization program and the reaction in the press, see Benjamin Kohl, "Privatization Bolivian Style: A Cautionary Tale," International Journal of Urban and Regional Research 28 (2004): 893-908; Roberto Fernández Terán, FMI, Banco Mundial y Estado neocolonial: poder supranacional en Bolivia (La Paz, Bolivia, 2003).

<sup>8</sup> Kohl, "Privatization Bolivian Style," 899-904.

<sup>9</sup> On the COB and its demise, see Jorge Lazarte, Movimiento obrero y procesos políticos en Bolivia (Historia de la COB 1952-1987) (La Paz, Bolivia, 1989); Carlos Arze, Crisis del sindicalismo

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boliviano: consideraciones sobre sus determinantes materiales y su ideología (La Paz, Bolivia, 2000).

<sup>10</sup> See Fausto Reinaga's La revolución india (La Paz, Bolivia, 1969) for an influential work on the "Indian question" from an indigenista perspective.

<sup>11</sup> Statistics are from Juan M. Arbona and Ben Kohl, "City profile - La Paz-El Alto," Cities 21 (2004), 255-265; Mariana Butrón Oporto and Jorge Miguel V. Rosales, La Población en el Municipio Cercado de Cochabamba (Cochabamba, Bolivia, 2003).

<sup>12</sup> Robert Albro, "The Water is Ours, Carajo!: Deep Citizenship in Bolivia's Water War," in Social Movements: A Reader, ed. June C. Nash (New York, 2005), 249-271; Lesley Gill, Teetering on the rim: Global Restructuring, Daily Life, and the Armed Retreat of the Bolivian State (New York, 2000).

<sup>13</sup> Herbert S. Klein, A Concise History of Bolivia (Cambridge, 2003), 1-23.

<sup>14</sup> Silvia Rivera Cusicanqui, "Liberal Democracy and Ayllu Democracy: The Case of the Northern Potosí Bolivia," Journal of Development Studies 26 (1990): 105.

<sup>15</sup> Xavier Albó, "El Retorno del Indio," Revista Andina 2 (1991): 299 - 345; Deborah J. Yashar, Contesting citizenship in Latin America: The Rise of Indigenous Movements and the Postliberal Challenge (Cambridge, 2005); Álvaro García Linera, "El

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descencuentro de dos razones revolucionarias: Indianismo y marxismo," Barataria, 1 (2005): 4-14.

<sup>16</sup> The first time that a question relating to indigenous identity was asked on the official census was in 1976 when respondents were asked to specify their "maternal tongue." The 2001 census included a question specifically about indigenous identity.

<sup>17</sup> On the growth of the informal sector in Bolivia, see Lourdes Benería, "Shifting the Risk: New Employment Patterns, Informalization, and Women's Work," International Journal of Politics, Culture and Society 15 (2001): 27-53; Arze and Kruse, "The Consequences of Neoliberal Reform".

<sup>18</sup> For the purposes of this paper, the "working class" is defined broadly as per the above quote in Olivera and Lewis, Cochabamba, 157. On the structural conditions that inhibit work-place organization in contexts such as Bolivia and Peru, see Kenneth M. Roberts, Deepening Democracy?: The Modern Left and Social Movements in Chile and Peru (Stanford, 1998), 67-73.

<sup>19</sup> Olivera and Lewis, Cochabamba, 107.

<sup>20</sup> Olivera and Lewis, Cochabamba, 117-28. Gay Seidman describes such union strategies as "social movement unionism" in Manufacturing Militance: Workers' Movements in Brazil and South Africa (Berkeley, 1994).

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<sup>21</sup> The government promised to cancel the contract but has taken more than a year to follow through with the promise.

Nonetheless, the "Water War" in El Alto was effective in the sense that the government reacted quickly to meet social movement demands.

<sup>22</sup> Emanuele Lobina, "Cochabamba - water war," Focus (PSI Journal) 7 (2000); Carlos Crespo Flores, "Water Privatization Policies and Conflicts in Bolivia - The Water War in Cochabamba (1999-2000)" (PhD Thesis, Oxford Brookes University, 2002), 208.

<sup>23</sup> Author interview with Abraham Grandydier, Vinto, Bolivia, July 14, 2006.

<sup>24</sup> Carlos Crespo Flores, La guerra de los pozos (Cochabamba, Bolivia, 1999).

<sup>25</sup> Carlos Crespo Flores, Omar Fernández Quiroga, and Carmen Peredo. Los Regantes de Cochabamba en la Guerra del Agua (Cochabamba, Bolivia, 2004), 70.

<sup>26</sup> The following account draws mostly from Olivera and Lewis, Cochabamba, 33-49.

<sup>27</sup> Precensia, "Tarifas de agua subirán hasta en un 175 percent en Cochabamba," in 30 Días de Noticias, ed. CEDIB (La Paz, Bolivia, 1999), 25.

<sup>28</sup> Olivera and Lewis, Cochabamba, 37.

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<sup>29</sup> Nina Laurie, "Establishing Development Orthodoxy: Negotiating Masculinities in the Water Sector." Development and Change 36 (2005): 536.

<sup>30</sup> See inter alia Rocio Bustamante, Elizabeth Peredo, and María Esther Udaeta, "Women in the "Water War" in the Cochabamba Valleys," in Opposing Currents: The Politics of Water and Gender in Latin America, eds. Vivienne Bennett, Sonia Dávila-Poblete and María Nieves Rico (Pittsburg, 2005), 72-90; Robert Albro "The Water is Ours, Carajo!".

<sup>31</sup> Author interview with René Cardona, Cochabamba, Bolivia, July 5, 2005.

<sup>32</sup> Author interview with Abel Mamani, El Alto, Bolivia, July 19, 2005.

<sup>33</sup> Nancy Postero, "Indigenous Responses to Neoliberalism," PoLAR: Political and Legal Anthropology Review 28 (2005): 73-92; Susan Spronk and Jeffery R. Webber "Struggles against Accumulation by Dispossession in Bolivia: The Political Economy of Natural Resource Contention," Latin American Perspectives (forthcoming).

<sup>34</sup> Nicaragua Solidarity Network of Greater New York, "Bolivia: Protests Oust Water Company," Weekly News Update #781, January 16, 2005; "El Alto otra vez de pie," Bolpress, January 13, 2005.

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<sup>35</sup> Carlos Crespo Flores, La concesión de La Paz a los cinco años; elementos para una evaluación. 2001. Available at:

<http://www.aguabolivia.org>.

<sup>36</sup> Author interview with Jhonny B. Vasquez, La Paz, Bolivia, April 21, 2005. At the time of the interview, 5 bolivianos was the equivalent of about US\$0.60.

<sup>37</sup> Carlos Crespo Flores, La concesión de La Paz.

<sup>38</sup> "Bolivia perdería juicio por Aguas del Tunari," Los Tiempos November 20.

<sup>39</sup> Luis Sánchez Gómez, "Directing SEMAPA: An Interview with Luis Sánchez-Gómez," in Cochabamba, ed. Olivera and Lewis, 87-94.

<sup>40</sup> Luis Sánchez Gómez and Philipp Terhorst, "Cochabamba, Bolivia: Public-Collective Partnership after the Water War," in Reclaiming Public Water-Achievements, Struggles, and Visions from Around the World, ed. Belén Balanyá, et al. (Porto Alegre, Brazil, 2005), 121-130.

<sup>41</sup> Sánchez Gómez and Terhorst, "Public-Collective Partnership."

<sup>42</sup> Crespo Flores, "Water Privatization", 112.

<sup>43</sup> For reasons of confidentiality, these individuals remain unnamed.

<sup>44</sup> "Los trabajadores de Semapa paran rechazando un despido." Opinión September 8, 2005.

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<sup>45</sup> When the interview was conducted, 3000 bolivianos was about US\$375 and 2200 about US\$275. Author interview with Oscar Olivera, Cochabamba, Bolivia, September 28, 2004.

<sup>46</sup> See Olivera and Lewis, Cochabamba, 7, 118-25.

<sup>47</sup> "Concejo retira cupo laboral del directorio de Semapa." Los Tiempos October 6, 2005; "Semapa despide a 164 trabajadores pero promete comprar sus servicios." Opinión October 20, 2005.

<sup>48</sup> Olivera and Lewis, Cochabamba, 156-7.

<sup>49</sup> "El Gobierno se compromete a condonar deudas de Semapa." Los Tiempos February 4, 2006.

<sup>50</sup> Julián Pérez, "Social Resistance in El Alto - Bolivia" in Reclaiming Public Water: Achievements, Struggles and Visions from Around the World, 2<sup>nd</sup> edition (Porto Alegre, 2006).

Available at <http://www.tni.org/books/waterelalto.pdf>