The Cochabamba Water War Social Movement:

A Successful Challenge to Neoliberal Expansion in

Bolivia?

By

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Abstract

This thesis determines how the Cochabamba water war social movement, a movement protesting the privatization of the Cochabamba water system, impacted neoliberal policies in Bolivia. First, it examines the construction and implementation of the neoliberal model and responses to this model in the popular sector. This thesis finds that despite significant results at the international level, the transfer of the Cochabamba water system, SEMAPA, back to the public sector did not drastically improve water access or quality of water services. Finally, the research shows how the Coordinadora utilized diverse protest methods to fight against the privatization of water and to support direct political participation. The thesis concludes by arguing that despite the Coordinadora not achieving its goal of democratizing SEMAPA, it did succeed in challenging the expansion of the neoliberal policy of privatizing water by using protest methods involving direct political participation and democracy.

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Chapter 1

Introduction

Posing the problem

In 2000, the Bolivian government shocked the world by transferring control of the Cochabamba municipal water company, Servicio Municipal de Agua Potable de Cochabamba (SEMAPA) to Aguas Del Tunari, partially owned by transnational corporation Bechtel (Olivera et al, 2004: 8). This action, however, was not part of a new phenomenon but was one step in a decade long policy of Latin American governments privatizing various enterprises, such as telecommunications, gas, electricity and water sectors (Mackenzie et al., 2003: 163).

The privatization policy was part of a larger neoliberal program of stabilization and structural adjustment measures that were developed by economists at the World Bank, the International Monetary Fund (IMF) and other international financial institutions (IFIs) (Veltmeyer, 1997: 208). The neoliberal agenda of structural adjustment and market reforms (free market capitalism) was imposed on country after country based on the ideas integrated within the Washington Consensus and a 'new world order.' The Washington Consensus was developed in the early 1980s and provided a set of guidelines for international trade and economics (Williamson, 1993: 1332-1333). By the end of the 1990s, only four Latin American countries had not adopted neoliberal policies (Veltmeyer, 1997: 209).

Since the mid-1980s, privatization had been a crucial part of the 'new economic model' and of international development policy (Kohl, 2004: 895). By 1998, more than one hundred countries had privatized previously state-owned enterprises (SOEs), representing a total value of US \$735 billion. While most of these privatizations involved profitable companies, the dynamics of this policy were radically transformed when it was expanded to water (Kohl, 2004: 895, Spronk and Webber, 2007: 40). The neoliberal policy of privatization, along with trade and capital liberalization, produced strong and widespread resistance. As of 1989, social protests against the neoliberal agenda were mobilized in numerous settings in Latin American countries (Veltmeyer, 1997: 236).

However, the movement that emerged in 2000 during the water war to protest the privatization of the Cochabamba water system involved a different process (Olivera et al, 2004: 28). It generated strong and diverse forces of resistance throughout the city to protest the privatization and, more generally, the imposition of neoliberal policies. This movement resulted in a struggle between a community coalition and government forces, eventually forcing the government to retract its privatization contract (Olivera et al, 2004: 28).

The war that erupted in Cochabamba over the privatization of water raised important questions about the viability of neoliberal policies, specifically privatization (Olivera et al, 2004: 141). The movement verbalized how since the 1980s, the Bolivian state had existed as a tool of the neoliberal apparatus, serving the interests of the national and international elite, rather than the needs of working people (Olivera et al, 2004: 141). The water war movement had a goal of ending this exploitation and creating a true

democracy, one that was run from below and allowed full participation and decision-making of the general population (Olivera et al, 2004: 141). Its main goals were to block the privatization, to improve water delivery in Cochabamba, to challenge other neoliberal policies and to deepen Bolivian democracy. While this movement was part of a broader struggle against neoliberal and capitalist expansion, I will study the dynamics of this process of exploitation and resistance as they occurred in Cochabamba and how these dynamics were manifested (Olivera et al, 2004: 141).

Emergence of Protests

In Bolivia, the World Bank was primarily responsible for the government's attempts to privatize municipal water systems in Cochabamba and El Alto, La Paz. In the mid-1990s, the World Bank made a loan to Bolivia to improve its public water systems and to encourage investment (Spronk and Webber, 2007: 39). The World Bank and the Inter-American Development Bank (IDB) made the privatization of the Cochabamba municipal water company, SEMAPA, a condition of continuing to receive loans, and recommended the elimination of controls over water prices (Olivera et al, 2004: 8). Generally, upper class Cochabamba citizens reacted modestly to the fee increases. However, working class and poor citizens could not afford the additional \$30 monthly that came with the privatization (Olivera et al, 2004: 8).

In Cochabamba, two months after the sale of SEMAPA to Aguas del Tunari, partially owned by transnational corporation Bechtel, rates were raised by as much as two hundred percent without service improvements (Bakker, 2008: 237). On average,

Cochabamba citizens received water for approximately four hours a day and the system covered fifty-seven percent of residents (Spronk and Webber, 2007: 39). The contract awarded by the government to Aguas del Tunari in 1999 encompassed expanding water production through the construction of a dam tunnel project that would cost approximately US \$300 million. The contract guaranteed the company a return of fifteen to seventeen percent over the forty years of the contract (Spronk and Webber, 2007: 39). The contract gave Aguas del Tunari exclusive rights to all water in Cochabamba, such as rainwater and personal wells in rural communities (Bakker, 2008: 238). The company attempted to place water meters on private wells and local irrigation systems throughout rural Cochabamba to collect more profit. It was widely believed that the company had disrespected the cultural significance of water for the indigenous populations of the Andean highlands (Bakker, 2008: 238).

The anti-privatization movement that followed was successful in ejecting Aguas del Tunari from Bolivia (Olivera et al, 2004: 8). Beginning in April 2000, the movement effectively mobilized diverse populations and held collective, citywide meetings to accurately portray the goals and needs of the collective group (Olivera et al, 2004: 56-57). Oscar Olivera, leader of the movement, helped form el Coordinadora de Defensa del Agua y de la Vida (the Coordinadora), a wide-spread coalition representing diverse populations fighting against the privatization of SEMAPA (Olivera et al, 2004: 28).

Research Questions and Research Objectives

The two main questions raised by the Cochabamba water war for my research are:

- 1) Did the movement fail or succeed in challenging the neoliberal agenda of privatizing water?
- 2) What were the dynamics and outcomes of the movement?

Secondary research questions:

- 1) What were the main political, social, and legal institutions involved?
- 2) Which actors and populations had crucial leadership roles?
- 3) How were diverse populations organized under one unified movement?
- 4) What potential exists to draw lessons from the methods and outcomes?

The objective of this thesis is to examine the dynamics, successes and outcomes of the anti-privatization movement in Cochabamba. By studying the water war as an historical event, researchers and scholars can investigate the dynamics of a specific time in Bolivian history. The thesis shows how a challenge to the neoliberal policy of privatization was manifested in relation to the specific political, economic and social conditions apparent in Bolivia at this time. To investigate the dynamics of this movement, the following issues will be examined: mobilization methods; the main political, social and legal institutions involved; the actors and populations with crucial leadership roles; how diverse populations were organized under one unified movement; and what potential exists to draw lessons from the movement's methods and outcomes. This research will examine how anti-privatization movement leaders mobilize diverse populations with a variety of needs into one unified movement, using the protests against the privatization of the Cochabamba municipal water system as a case study.

The thesis will examine different theories of social movement organizing, the strengths and weaknesses of the specific organizing approach taken in Cochabamba and will draw conclusions about lessons that can be transferred to other social movements in Latin America.

Conceptual and theoretical framework

The main theoretical concept that I use is David Harvey's concept of accumulation by dispossession. According to Spronk and Webber, the movements that emerged in Bolivia to protest the privatization of water and natural gas were examples of 'accumulation by dispossession' by 'enclosing the commons.' This process occurs through the sale of a previously state-owned enterprise to a transnational corporation or IFI, ultimately closing off access of natural resources to the general population. According to Harvey, Marx correctly highlighted processes of accumulation based on fraud, predation and violence (Spronk and Webber, 2007: 38).

The research objectives are based on the following working ideas drawn from the literature reviewed in Chapter 2. These ideas will act as a thesis statement that will be either supported or disproved through the research. First, the movement was part of a global struggle of indigenous communities to protest and prevent the enclosing of the commons (Spronk and Webber, 2007: 32). Secondly, the government policy to privatize water was an assault on indigenous communities, their livelihoods, and their role as guardians of nature (Olivera et al, 2004: 8). Thirdly, the movement's success was contingent on the ability of indigenous people to transform a local protest into a broad

social movement (Olivera et al, 2004) and the social movement was fundamentally against neoliberalism and capitalism (Webber, 2009a: 182).

The thesis will investigate the emergence of neoliberalism in Latin America and how the ideology was transferred to Bolivian society (Gwynne and Kay, 2005: 142). It will examine how the support of neoliberal policies by Bolivian elites led to the following consequences: the restructuring of the Bolivian economy leading to the privatization of previously state-owned enterprises; enhanced support for multi-national investment; and increased unemployment and poverty, ultimately leading to the water war of 2000 and the gas wars of 2003 and 2005. It will do so by detailing how the privatization of public utilities leads to inequality in access, increased user fees and greater inequality (Goldstein, 2005: 396). This thesis will establish how the water war started a broader process of political participation in which citizens actively questioned the policies of Bolivian neoliberal governments, IFIs such as the World Bank and the IMF, and Western governments. This process of questioning took place through active social movements involving large and diverse street mobilizations and protests that placed pressure on the national government (Spronk and Webber, 2007:41).

By examining in detail the specific goals and successes of the movement, this thesis will determine whether the movement was a direct challenge to the neoliberal policy of privatizing water. To determine the movement's immediate impacts, its opposition to neoliberal based laws and its political ideologies will be examined (Olivera et al, 2004: 28-29). Most significantly, the impact of the movement on Bolivia's political trajectory will be investigated (Spronk and Webber, 2007: 41). The significance of the movement

was verbalized by current Bolivian President Evo Morales in an interview with *Time* magazine, "We needed to end that internal colonialism and return the land and its natural resources to those who have lived on it for so many hundreds of years, instead of putting our economy in the hands of the World Bank, the IMF and transnational corporations" (Shultz, 2008: 29).

According to Jeffrey Webber, after fifteen years of neoliberal economic restructuring from 1985-2000, the dominance of elitist democracy and the deconstruction of popular movements, a left-indigenous social movement in Bolivia was reawakened with the Cochabamba water war in 2000. According to Webber, the uprising initiated a five-year protest cycle within the urban and rural populations, the indigenous majority and other exploited populations against privatization measures (Webber, 2009a: 2).

The following paragraphs outline the working ideas that make up the conceptual framework of this thesis. First, the movements that developed in Bolivia to protest the privatization of water and gas were examples of what David Harvey called 'accumulation by dispossession' through 'enclosing the commons' by privatizing previously state-owned enterprises (Spronk and Webber, 2007: 38). According to Harvey, Karl Marx correctly highlighted processes of accumulating capital based on violence and argued that accumulation by dispossession led to a variety of social movements under a broad section of civil society. It has been argued by scholars and policy makers supportive of water privatization that water must be treated as an economic good and should be priced in a way to recover costs of production from its users (Spronk and Webber, 2007: 38).

The cases of water privatization in Cochabamba and El Alto, La Paz were examples of accumulation by dispossession, but they also represented the idea that not all dispossessions work as planned. Despite ideas that water is the new 'blue gold' of the 21st century, the increasing number of failed water privatization experiments showed that attempting to sell water to poor people in the developing world was more difficult than originally anticipated (Spronk and Webber, 2007: 38).

Second, the government policy to privatize water was an assault on indigenous communities, livelihoods and their role as guardians of nature. In Bolivia, indigenous people understood water as a sacred entity, and they believed that their right to water was inherent and that it could not be sold (Olivera et al, 2004: 8). For rural people, the right to water was connected to traditional beliefs and customs dating back centuries. The ideas and traditions regarding water went beyond distribution and encompassed the belief that entire communities were to benefit from water access and that it should never be used for private profit (Olivera et al, 2004: 8).

The protection of indigenous uses of water was used to argue against Law 2029 and the privatization of the Cochabamba municipal water system (Ochoa et al, 2009: 75). Under Law 2029, and with the privatization of the municipal water system, the traditional indigenous uses and rights to water were not respected (Ochoa et al, 2009: 74). The protection of indigenous rights and opposition to Law 2029 were the basis of the water war movement. Law 2029 stated that the concession holder had the right to supply water to the entire area, which ignored and undermined the functioning of local water committees and irrigation systems (Ochoa et al, 2009: 75). The Coordinadora based its

actions on the idea that water was a collective right, and the slogan 'Water is Ours' was used at protest marches against the privatization of SEMAPA (Ochoa et al, 2009: 75).

Next, the indigenous organizers transformed the movement from a local protest into a broad social movement. Social movement organizers connected the movement to customary uses of the commonly governed water supplies of indigenous communities that dated back centuries in rural Cochabamba (Webber, 2009a: 182). The privatization of water was a direct violation of these customary uses. Activists also emphasized the fact that water was a resource that was biologically and socially necessary for human life, and to privatize water was to privatize life itself. By re-articulating this notion, movement leaders illustrated that water scarcity and threats of privatization automatically impacted a multi-class, rural and urban portion of the population simultaneously (Webber, 2009a: 183).

Importantly, the water war developed a much broader scope than originally anticipated and turned into a broad social movement (Webber, 2009a: 199). At a mass assembly in September 2000, the Coordinadora demanded a Constituent Assembly to meet the interests of the indigenous and peasant majorities. The assembly was imagined to bring together all classes such as irrigators, urban workers, landless peasants, farmers, villagers, coca workers and indigenous communities. This assembly was meant to bring together all sectors of the population and to be "a new type of political action born out of civil society as a means to discuss and to decide public matters" (Webber, 2009a: 199). Through these actions, a wide variety of representatives from all classes would

collectively debate issues of political representation, social control and self-governance independently of the Bolivian state and IFIs (Webber, 2009a: 199).

Lastly, the water war was an anti-imperialist and anti-neoliberal social movement. The dominant role of IFIs and multinational corporations in the privatization process encouraged the reemergence of the Bolivian anti-imperialist tradition (Webber, 2009a: 183). Feelings of solidarity, an oppositional consciousness and a greater knowledge of the influence of mass protests led to the radicalization of protest demands between 2000 and 2005 (Webber, 2009a: 183).

The need for political reform resulted from the repressive policies of the World Bank, the IMF and the IDB, which impacted the actions of the Bolivian government and led to the spread of social activism (Olivera et al, 2004: 8-15, Kohl, 2006: 305 and Perreault, 2006: 156). When asked about anti-neoliberal sentiments within the structure of the water war movement, movement leader Omar Fernandez explained "... It was in Cochabamba, where a situation emerged that extended throughout the entire country, in which the people were no longer prepared to continue with the [neoliberal] model" (Webber, 2009a: 184).

Research Methodology

The research methodology encompasses secondary sources such as books written by social activists about movement organizing and by academics about the political economy of natural resource privatization in Bolivia. I reviewed academic studies that explored the theoretical debates surrounding water use in Latin America, the background of the

Cochabamba water war, and social movement organizing in Latin America (Bakker, 2007: 441). The research drew predominately on the writings of movement leader Oscar Olivera in which he examined the origins of the protests, organizing methods and dynamics, the diverse populations involved, and the movement's implications. Olivera's work was used to provide a unique and personal perspective on the water war that a scholar or researcher would not have access to if they did not participate directly in the movement. His writings were combined with a more objective and scholarly analysis of the goals and immediate outcomes of the water war social movement (Oliver et al, 2004: 56-57).

I will also investigate the emergence of privatization in Bolivia and its impact on social movements. This research examined the relationships between the IMF and the World Bank and Bolivian presidents such as Paz Estensorro in 1985 (Kohl, 2004: 896). I worked on understanding the development of the New Economic Plan (NEP) that led to a reduction in government spending, the closure of numerous state mines and the firing of 25,000 miners (Kohl, 2004: 896). I also examined laws passed by Bolivian presidents to increase privatization efforts, and the impact of the laws and government actions on social movement organizing in the country. I formed an understanding of the local dimensions of privatization in Bolivia and examine how domestic elites sustained neoliberal policies (Kaup, 2012: 2).

Secondary sources were used to gain a broad understanding of the context of social movement organizing in Bolivia and Latin America. Books published by
Cambridge University Press and South End Press, for example, will be used to examine

social movements in Latin America prior to and during the neoliberal interventions of the World Bank and the IMF. The books were used to investigate the history, methods and impacts of anti-privatization movements in Latin America that challenged the privatization of water, gas, telecommunications and electrical systems (Olivera et al, 2004: 8-15; Kaup, 2012: 2).

Information on other anti-privatization movements in Latin America found in books written by community organizations and academics were used to examine different methods of public collective action, including boycotts and mass protests (Rhodes, 2006: 3-4). What was emphasized here was whether anti-privatization movements in other countries achieved a significant restructuring of economic and political policies in their respective countries. Also, through government websites, libraries, archives, scholarly books and articles and statistical databases, the efficiency of SEMAPA in providing consistent and quality access to water to Cochabamba residents were investigated. These areas were researched to place the water war within a broader context of neoliberal and imperial expansion in Latin America.

Based on the nature of the research, qualitative data was utilized more extensively than quantitative. Interviews, personal stories and histories were related to the collective mobilization and organization of diverse populations and the challenges experienced by individual organizers. For quantitative data, a very limited variety will be examined, for example, the number of movement participants across different regions of Cochabamba and the country, the percentage of rural populations who obtained access to

water following the protests, and statistical data on funding levels that were transferred into Latin America from the United States government (Bakker, 2008: 239).

A document review was conducted with data from reports from the Cochabamba Municipal Government, the Archives and National Library of Bolivia (ABNB), museum archives, newspapers such as Los Tiempos, university libraries such as at the Universidad Mayor de San Simon in Cochabamba, the SEMAPA office, and NGO reports from Solar Water Disinfection and Water for People (SODIS). The goals of this review were used to gain a broad understanding of the issues impacting water access in the area and to provide a local perspective of the movement through the use of secondary data.

Thesis Statement

My thesis is that the Coordinadora halted the neoliberal agenda to privatize water in Cochabamba, Bolivia through achieving its basic goals of reversing the privatization of SEMAPA and ejecting Aguas del Tunari from Bolivia. The movement challenged the neoliberal agenda of privatizing water through becoming a symbol for the international campaign for the human right to water, transforming the Bolivian political landscape, transferring more attention to communal water rights and inspiring other movements protesting the privatization of water (Spronk and Webber, 2007: 21; Shultz, 2008: 29; Boelens, Getches and Guevara-Gill, 2010: 288; Spronk, 2009:169, and Dangl, 2007: 70). The success of the movement to stop the privatization of water was contingent on leaders' abilities to organize broad and diverse populations through the use of open and public assemblies based on principles and practices of direct political participation and

democracy (Olivera et al, 2004: 56-57). Despite the movement's successes, it did not achieve its broader goals of radically democratizing SEMAPA, of expanding water access, and of improving the quality of services under the SEMAPA system (Spronk and Webber, 2007: 41).

To protest the privatization of water in Cochabamba in 2000, movement leaders mobilized workers, peasants, children, the elderly, labour leaders, business people, community organizations, irrigator associations, water cooperatives and middle class citizens into one unified movement (Olivera et al, 2004: 34). To do so, Oscar Olivera formed the Coordinadora to enhance democratic decision-making by monitoring and challenging government and business actions, interpreting the demands of the general population and leading mass protests to challenge oppressive government policies (Olivera et al, 2004: 28-29).

Structure of the thesis argument

The thesis begins with a broad introduction to the topic area, with a description of research objectives and an investigation of research methodologies. Next, it provides a background to the emergence of neoliberalism in Latin America, privatization in Bolivia, and the water war protest movement in Cochabamba.

Chapter 2 provides a literature review that examines areas of relevance in understanding the outcomes and impacts of the movement's affects on the expansion of the neoliberal policy of privatization. It examines the construction and emergence of the new economic model of neoliberal globalization and how the popular sector responded to

this model in Latin America. The chapter investigates the origins and dynamics of the water war movement focusing predominately on David Harvey's accumulation by dispossession concept and the expansion of the global water industry (Spronk and Webber, 2007: 32 and Barlow and Clarke, 2002: 109). The chapter continues with an examination of the dominant views of the movement in Cochabamba.

Chapter 3 provides the context for an examination of the issues related to the research problematic of the thesis. It examines the global expansion of the neoliberal model in addition to the model's expansion in Latin America and Bolivia. The chapter continues to investigate the conditions leading to the movement in Cochabamba, and the movement itself. The chapter ends with an investigation of the implications of neoliberalism in Bolivia.

Chapters 4 and 5 provide a careful analysis of the available empirical data that will either support or disprove the numerous working ideas stated earlier in the chapter. It utilizes various analysis methods to investigate the origins and dynamics of the movement.

In Chapter 6, broad conclusions are drawn regarding the immediate impact and broader significance of the movement formed to protest the Bolivian government's privatization agenda regarding water. The conclusion supports the working ideas of the thesis coming from a detailed analysis of several studies by Webber and Spronk, an analysis of the social movement dynamics of the Cochabamba water war, and the personal observations of movement leader Olivera.

Study limitations

This thesis focuses solely on the time period from 2000 to 2006, starting with the Cochabamba water war social movement and concluding with the period immediately preceding the election of indigenous president, Evo Morales. Therefore, this thesis focuses solely on the political environment during this period, and does not investigate the nature of Morales' policies and whether they were impacted by the Cochabamba victory in addition to the actions and influence of the Coordinadora currently in Bolivia. This investigation is also based on one specific time period and social movement, and does not acknowledge how other factors during the 2000 to 2006 time period could have affected the political environment in the country.

The decision to focus this thesis solely on the 2000-2006 time period was based on the events that took place in Bolivia during this time. The Cochabamba water war started a period of growth for strong and diverse social movements that aimed to challenge the neoliberal policy of privatizing natural resources. This thesis strives to examine the political dynamics of the Cochabamba water war social movement, a specific time period in Bolivian history. It also investigates the immediate impacts of the movement's achievements of reversing the privatization of SEMAPA and ejecting Aguas del Tunari from Bolivia, such as initiating a five-year protest cycle challenging the neoliberal agenda of privatization, eventually leading to the forced resignation of two neoliberal presidents, and to the eventual election of Evo Morales, at the time considered a victory for the social movements (Bakker, 2008: 239).

An investigation of this short time period enables the reader to understand which political events were the direct results of what the movement was able to achieve, and which events were impacted by international and global actors, as opposed to local social movements. By showing statistics of SEMAPA coverage in the immediate period following the movement, the thesis shows that the efforts of the Coordinadora did not directly lead to improved quality and coverage under SEMAPA. This shows that while the movement was able to achieve its basic goal of reversing SEMAPA's privatization, it did not expand its efforts and focus to encompass how the social dynamics of the SEMAPA union could have acted as a barrier to improve the quality and expand the access of services under the newly nationalized utility (Bakker, 2008: 239).

Chapter 2

The Cochabamba Water War:

A Literature Review

In 2000, the Bolivian government made the politically contentious decision to transfer the control of the Cochabamba municipal water company, Servicio Municipal de Agua Potable de Cochabamba (SEMAPA) to transnational corporation, Aguas del Tunari (Olivera et al, 2004: 8). While this action shocked the world, the privatization of natural resources was not part of a new phenomenon, but one step in a decade-long policy of the privatization of public utilities in Latin America, such as telecommunications, electrical, and water systems (Mackenzie et al, 2003: 163). Through a strong and diverse community coalition led by Oscar Olivera and el Coordinadora de Defensa del Agua y de la Vida (the Coordinadora), the anti-privatization social movement during the water war succeeded in expelling the transnational corporation from Bolivia and transferred control of the municipal water system back to the public sector (Oliver et al, 2004: 8).

The purpose of this chapter is to review the literature surrounding the water war in Cochabamba and to reconstruct the dynamics of the anti-neoliberal social movement behind this war. It is divided into the following sections:

[1] Construction and implementation of the new economic model (neoliberal globalization). In the context of an expanding debt crisis in the 1980s, neoliberal policies were constructed and enforced by a transnational class of global capitalists supported by

the World Bank, the IMF and other institutions (Veltmeyer, 1997: 208). The neoliberal agenda of economic reforms include the following practices: liberalization of trade and capital flows, the privatization of previously state-owned enterprises or industries, market de-regulation and significant cutbacks in public spending (Veltmeyer, 1997: 208; Gwynne and Kay, 2000: 150). This literature review focuses on the privatization policy of neoliberal reforms. In the Cochabamba case, this involved the transfer of control of the municipal water system from public actors to private companies, leading to higher user fees for city residents (Olivera et al, 2004: 8-9).

[2] Responses to this model in the popular sector. In response to the neoliberal program of structural reforms, a variety of movements emerged in the 1980s, shifting the struggle from rural to urban areas (Petras and Veltmeyer, 2009: 39). In the 1990s in the context of increasing disapproval of neoliberal policies, movements emerged that attempted to establish alternatives to the neoliberal system. These movements were led by peasant classes, were political in nature, and represented resistance to the neoliberal agenda (Petras and Veltmeyer, 2009: 39). During this time, indigenous and peasant movements used social mobilization as a method to challenge local and national elections and joined international development associations to construct viable alternatives to the neoliberal model (Petras and Veltmeyer, 2009: 40). In Cochabamba, in response to reduced access and the privatization of the city's 'water commons,' a dramatic and diverse movement emerged to protest the privatization pillar of the neoliberal model and to transfer control of the municipal water company back to the public sector (Spronk and Webber, 2007: 32).

3] The origins and dynamics of the 2000 Water War movement. The movement's emergence to protest the privatization of the municipal water system was contingent on the extreme price increases, the universal importance of water for human and community survival, and in sustaining cultural traditions. In addition to a strong focus on higher water prices, Webber (2009a: 182) states that the movement was considered an anti-neoliberal and anti-imperialist social movement in which indigenous peoples emphasized the importance of water for their cultural traditions. In addition, Webber (2009a: 183) emphasizes the macro-focus of the protests and the dominant role of IFIs and multi-national corporations in encouraging the emergence of an anti-neoliberal and anti-imperialist consciousness in Bolivia and in challenging hegemonic forms of power and exploitation.

Because of the uniqueness of water as a natural resource necessary for human survival and the emergence of a struggle to protest the privatization of a publicly owned good, the success of this social movement to expel a foreign company and to halt the expansion of the neoliberal policy of privatizing water has attracted significant scholarly attention (Webber, 2009a: 183, Spronk and Webber, 2007: 38, Perreault, 2008: 835, Shultz, 2009: 17). Scholars are interested in understanding the origins, dynamics, and the immediate successes, outcomes and implications of this unique anti-neoliberal and anti-imperialist social movement protesting extreme price hikes in the water sector.

The problematic action of the Bolivian government to privatize the Cochabamba municipal water system and the impacts of this action will be examined (Mackenzie et al, 2003: 163). This government action was not part of a new phenomenon but was one step

in a decade-long policy of Latin American governments privatizing previously stateowned enterprises, for example telecommunications, electricity, transportation, water and hydrocarbon systems (Mackenzie et al, 2003: 163). The Cochabamba protest questioned the effectiveness of neoliberal policies that were encompassed in the 'new economic order' (Olivera et al, 2004: 141 and Kohl, 2004: 895). As is the case in Bolivia, privatization of water and other natural resources was an extreme application of neoliberal policies and generated strong and diverse forces of resistance (Olivera et al, 2004: 28).

This review of the literature is based on the following research questions:

- 1) What were the origins of the new economic model of neoliberal globalization?
- 2) What were the responses to the neoliberal model in the popular sectors?
- 3) What were the origins and dynamics of the Water War protest movement?

The new economic model (neoliberal globalization)

The neoliberal agenda of economic reforms included the following principles: liberalization of trade and capital flows, the privatization of previously state-owned enterprises or industries, market de-regulation and significant cutbacks in public spending (Veltmeyer, 1997: 208 and Gwynne and Kay, 2000: 150). Governments in Latin America privatized the telecommunications, electricity, transportation, water and hydrocarbon sectors (Mackenzie et al, 2003: 163). In practice, the implementation of neoliberal policies involved wage freezes and cutbacks in public health, public education and state-sector employment, currency devaluation, price increases on consumer goods and tax

hikes (Almedia, 2007: 126). According to Latin American treasury ministers, it became necessary for economies to modernize to become more competitive in the global capitalist market. Economic modernization was considered necessary for governments to attract foreign investment from transnational corporations with various investment options across the continent (Gwynne and Kay, 2000: 142).

In the context of an expanding debt crisis in the 1980s, neoliberal reforms were constructed and enforced by a newly developed class of transnational capitalists supported by the World Bank, the IMF and other institutions (Veltmeyer, 1997: 208). Neoliberal adjustments and market reforms were imposed on country after country so by the end of the 1980s, only four countries in Latin America had not opened their economies to the global market by liberalizing imports and removing regulations on the flow of capital (Veltmeyer, 1997: 209). The pressure to implement market-oriented reforms came from formally binding agreements between national governments and the international lending institutions that allowed indebted national governments to re-pay past loans or to secure new lines of credit (Almedia, 2007: 127).

During the 1980s and 1990s, the neoliberal model gained global influence (Gwynne and Kay, 2000: 142). This period saw the collapse of Soviet Russia and the state-led economic model. The introduction of neoliberal reforms in certain parts of Europe and the smooth transition from state to market-led economies gave Latin American governments incentives to adopt these programs (Gwynne and Kay, 2000: 142). Latin American politicians understood that neoliberal principles were the basis of competitive industrial economies (Gwynne and Kay, 2000: 142). In developing countries,

neoliberal reforms were intended to create a more favourable environment for transnational capital by removing trade and market barriers and creating a more flexible workforce to provide cheap labour to transnational corporations (Goldstein, 2005: 395).

Privatization had been a critical feature of the 'new economic model' and international development policy since the mid-1980s (Kohl, 2004: 895). The privatization model was part of a larger neoliberal policy of stabilization and structural adjustment, constructed by the World Bank, the IMF and other IFIs (Veltmeyer, 1997: 208). Massive privatization efforts in England and the United States led to significant incentives for national governments in Latin America to adopt these programs (Kohl, 2004: 895). By 1998, more than one hundred countries globally had privatized previously state-owned industries, representing a value of approximately US \$735 billion in profits. Privatization was used as a political strategy to re-define the role of the government in developing countries and Eastern Europe (Kohl, 2004: 895).

Supporters of privatization argued that private companies were more efficient than all levels of government and were better able to process information, respond to the needs of the market, and allocate resources (Kohl, 2004: 895). Supporters argued that it should lead to the creation of more efficient companies, a reduction in corruption and faster economic growth. However, it did not automatically benefit broader society and could lead to significant job loss as managers attempt to cut costs (Kohl, 2004: 895). Additionally, privatization of infrastructure could impact consumers by changing their access to the network, the prices they paid for services, and service quality. Also,

privatization could have indirect impacts on consumers as it could change the prices of substitute goods (Mackenzie et al, 2003: 170).

While most privatizations involved profitable companies in hydrocarbon or other sectors, the dynamics of the policy were transformed when water began to be privatized by national governments in Latin America (Spronk and Webber, 2007: 38). During the post World War II period, water was considered a public good to be provided by publicly owned companies, since the private sector was unable to provide adequate services. The World Bank extended infrastructure loans to assist in the development of public water sources because it believed that investments in public services would enhance economic growth (Spronk and Webber, 2007: 38).

Since the expansion of neoliberal policies, however, the World Bank began attaching conditions to government loans requiring the privatization of publicly owned water resources to improve management methods (Spronk and Webber, 2007: 38). Supporters of water privatization argued that water should be considered an economic good with the full cost of its production extracted from its users. Neoliberal arguments claimed that users would waste water if they were not required to pay its full cost and, therefore, privatization was considered a solution to the global scarcity of fresh water (Spronk and Webber, 2007: 38).

In response, the international campaign to define water as a human right grew significantly in the late 1990s (Bakker, 2007: 436). The campaign had its origins in the arguments of anti-privatization advocates who fought against numerous privatization contracts on different continents. Advocates of privately supplied water systems, such as

private companies, many governments, bilateral aid agencies and transnational corporations, argued that it increased efficiency and quality of the water utility and expanded access to excluded populations (Bakker, 2007: 436). These actors pointed to the failures of governments and aid agencies to achieve the goal of universal water access set during the International Water and Sanitation Decade (1981-1990) and to the low efficiency of public utilities (Bakker, 2007: 436).

Opponents of this view argued that water access was a human right (Bakker, 2007: 437). They based their arguments on two main justifications: the fact that water is essential for human life, and that many human rights as defined by the United Nations (UN) are dependent on access to water. Opponents also pointed to successful examples of public water systems and claimed that privately operated water utilities were not automatically more efficient, but could be more expensive for users. They also argued that private companies would not run water utilities in a sustainable manner (Bakker, 2007: 437).

Responses to the new economic model in the popular sector

In response to a neoliberal program of 'structural reform' advanced within the framework of the 'new world order' during the 1980s, the class struggle shifted from the rural areas to urban centres. The struggle for social change in Latin America took place within three distinct stages (Veltmeyer and Petras, 2008: 22). The first protest stage occurred in the 1960s in which organized workers and peasant revolutionaries formed diverse movements led by urban middle class intellectuals (Veltmeyer and Petras, 2008: 22). Both the urban-

centred labour movement and peasant struggles for land autonomy made substantial gains in advancing the class struggle. However, by the end of the 1970s, most of these movements were defeated through the state implementing different models of state-led or community-based development, the corruption of movement leaders, and in extreme cases, outright violent repression (Veltmeyer and Petras, 2008: 22).

In the 1980s, Latin America experienced the emergence of social movements originating within civil society and non-governmental organizations (NGOs) made up of the urban poor and the middle class (Veltmeyer and Petras, 2008: 22). The urban poor participated in spontaneous protests against authoritarian governments and the programs of the IMF and the World Bank. Categorized as 'new social movements,' the working class began to reorganize itself to advance its interests, in the case of Brazil, by setting up a political party (Petras and Veltmeyer, 2009: 39).

These movements were categorized as 'new' because of the subjectivity and diversity of their goals, methods and conditions, their broad social base and their basic concerns. In the 1980s, these movements were understood as a new social actor in the political field, rather than as challenging state power (Veltmeyer and Petras, 2008: 23). In contrast to the political and class based goals of movements in previous decades, these 'new social movements' led by NGOs were focused on single issues such as human rights, demanding title to plots of land and ending violence against women (Veltmeyer, 1997: 147).

At the end of the 1980s a new wave of social movements emerged including the Brazilian Landless Rural Workers Movement (MST) in Brazil, the largest, most dynamic

and most powerful movement in Latin America (Veltmeyer and Petras, 2008: 23). Unlike the 'new' social movements of the 1980s, these movements were formed in rural areas and were both peasant-led and peasant-based. Many of these movements also had ethnic or national bases in indigenous communities of peasant farmers, as was the case in Bolivia, Ecuador and Mexico (Veltmeyer and Petras, 2008: 23).

In the 1990s, in the context of increasing disapproval of neoliberal policies and attempts to construct development alternatives, a new form of peasant-based and led social movements began to take form and gain strength. These movements were political in nature and represented resistance against the expansion of neoliberal policies (Petras and Veltmeyer, 2009: 39). By the mid-1990s, the rural movements based on the landless peasants and, in some contexts, the struggles of peasant and indigenous organizations were taken to urban areas. The movements also used connections with the urban-centred and middle class 'civil society' to advance its goals (Petras and Veltmeyer, 2009: 40). During this time, peasant and indigenous movements used social mobilization as a method to challenge local and national elections. The movements also joined international development associations seeking to construct a more participatory form of development and politics in addition to a new perspective of local and sustainable human development (Petras and Veltmeyer, 2009: 40). The diverse social movements investigated below place the Cochabamba water war within a broader continental context of popular challenges to neoliberal governance.

The Brazilian Landless Rural Workers Movement (MST)

The MST was the most vocal, most efficiently organized and most effective of the many peasant-based social movements calling for 'land, democracy and social justice.' It was a national peasant organization created in 1984 to advocate for and pursue agrarian reform by occupying unused lands (Robles, 2001: 147). The MST provided a theoretical framework to examine the structural, environmental, economic and political exploitation in rural areas and provided a practical guideline for peasants to voice their concerns through collective action (Robles, 2001: 148). It grew from a regional movement based in the south-central region of the country into a national movement with organizers in all regions of the country (Petras and Veltmeyer, 2011: 75).

The MST was not categorized as a revolutionary movement and did not attempt to appropriate state power (Petras and Veltmeyer, 2011: 75). Instead, it effectively enforced the implementation of the Constitution that supported the appropriation of unused lands for social use. In the mid 1990s, the MST began to organize large land occupations near provincial cities to encourage mass support and to form alliances with urban actors (Petras and Veltmeyer, 2011: 75). As the movement occupied large uncultivated properties, the MST experienced increasing violence and was forced to create self-defense committees to protect participants against gunmen hired by landowners. Throughout the 1990s, the MST organized approximately 139,000 families into productive cooperatives with many of them participating in export agriculture (Petras and Veltmeyer, 2011: 75). They also expropriated 7.2 million hectares of land and established

fifty-five rural cooperatives in twelve states and 880 schools with 38,000 students (Petras and Veltmeyer, 2011: 75).

Attempts at analysis question whether the movement had a socialist nature or if it was focused on maximizing benefits available under capitalism (Petras and Veltmeyer, 2011: 77). According to Petras and Veltmeyer (2011: 77), the practice of the MST was predominately to advance the land struggle within the limits of Brazilian politics and economics. The movement did this by mobilizing land occupations, in contrast to protesting against the government's neoliberal policies. The MST generated relationships with a variety of organizations in the anti-globalization movement and helped create a network of organizations concerned with creating alternatives to neoliberal globalization (Petras and Veltmeyer, 2011: 77).

The Confederation of Indigenous Nationalities (CONAIE) – Ecuador

CONAIE is considered one of the most powerful indigenous movements uniting indigenous peoples across race and class by developing relationships with other social movements and by holding mass protests to force the national government to meet their demands (Andolina, 2003: 721). CONAIE mobilized indigenous populations of the lowlands and highlands and created a platform combining their material and cultural needs. It was based on the communal control of land, government programs, education, natural resources and infrastructure (Andolina, 2003: 727).

The main goal of the movement was to remove the 'oligarchs' who caused misery for the majority of Ecuadorians from state power by electing a popular constituent

assembly that would enhance social justice by introducing a newly established plurinational state. CONAIE also called for a constituent assembly that would legalize and support indigenous rights and that would re-establish Ecuador as a plurinational state (Petras and Veltmeyer, 2011: 78). This assembly was constructed in 1997-8 after the fall of President Abdala Bucaram in February 1997 (Andolina, 2003: 721). When the assembly concluded in 1998, the new constitution legalized new indigenous rights, citizenship rights and constitutive principles (Andolina, 2003: 722).

In 1990, mass mobilization and political pressure occurred to respond to the following events: the government's implementation of neoliberal policies; increasing class conflicts over land access and distribution; and pressuring the government to eliminate the neoliberal model and to implement an alternative political framework (Petras and Veltmeyer, 2011: 78). In practice, opposing the neoliberal agenda took the form of indigenous popular parliaments in 1991. These parliaments were understood as challenging the neoliberal agendas of political elites who contrasted the movement with market-based development and state sovereignty (Andolina, 2003: 728). With the coordinated support of urban actors and organizations, CONAIE transformed into a movement of historical significance, leading to its emergence as a major actor in national politics on issues of land and cultural and political identity (Petras and Veltmeyer, 2011: 79).

The Zapatista Movement of National Liberation (EZLN)

In January 1994, the day after the North American Free Trade Agreement (NAFTA) came into affect, the Zapatista National Liberation Army (EZLN) emerged from the jungle armed with weapons to seize towns in the highlands of Chiapas Mexico (Martinez-Torrez, 2001: 349). Veltmeyer (2000, p. 92) explains that in the Mexican countryside, many peasant indigenous producers were forcibly separated from their means of production, leading to a higher number of landless producers, unemployed workers and proletarianized peasants. According to movement leader Subcombarte Marcos and the EZLN, the Mexican state sustained imperialism and its neoliberal agenda of economic reforms (Veltmeyer, 2000: 93). EZLN began the national political debate on issues of NAFTA, democratization, and social justice. Similarly to other powerful movements in Latin America, the EZLN attempted to combine social struggles with efforts to establish social transformation (Petras and Veltmeyer, 2011: 90).

The EZLN had diverse protest and mobilization methods. Movement leaders made an appeal to civil society for a national mobilization against the neoliberal agenda that emerged in 1985 (Veltmeyer, 2000: 98). In addition, leaders held a 'grand national consultation' for the public to help determine its own role in democratic transformation. Significantly, the movement formed a national indigenous forum followed by a national indigenous congress to challenge neoliberal expansion and to enforce land reform and redistribution (Veltmeyer, 2000: 98). The movement organized open forums and national and international gatherings to encourage free discussion. The Zapatistas combined traditional protest strategies with widespread Internet use to expand international support

for the struggle and to make the international community aware of the movement, its goals and its discontents (Martinez-Torrez, 2001: 353).

Since the initial uprising in 1994, the EZLN experienced substantial shifts in perspectives. According to Petras and Veltmeyer (2011: 91), through speeches and interviews with Macros and other EZLN leaders, it is clear that the movement narrowed its goals. The initial broad focus of social transformation shifted to emphasizing democratization, demilitarization and political transition (Petras and Veltmeyer, 2011: 91). The narrowing of its goals came with a broadening of international support while simultaneously limiting the building of a national movement beyond Chiapas (Petras and Veltmeyer, 2011: 92).

Since 1994, the movement had made efforts to organize social and political actors of opposition, to protect its way of life in a changing global environment, to politicize the peasantry, to unify the national indigenous movement, to establish itself as a national political actor and to protest against the expansion of the neoliberal agenda in the country (Veltmeyer, 2000: 97). For the EZLN, land distribution was connected to the autonomy and self-governance of indigenous peoples. Similarly to Bolivia, Ecuador and Paraguay, the Mexican state attempted to disconnect indigenous cultural issues from socioeconomic conditions (Petras and Veltmeyer, 2011: 93).

The new peasant movement in Bolivia: The Cocaleros

In the 1990s, the labour force resisted neoliberal and imperial expansion and capitalist exploitation (Petras and Veltmeyer, 2011: 84). In Bolivia, forces of resistance included

peasants in the south and mining and trade unions in La Paz. These groups were coordinated by the Bolivian Workers' Confederation (COB), which organized street venders, students, professionals, women, ecologists and indigenous peasants, with each distinct population having its own delegates (Petras and Veltmeyer, 2011: 84).

With the dominance of the miners within the COB receding because of the neoliberal reforms of the Paz Zamora government, coca farmers and traditional peasant producers emerged as influential actors (Petras and Veltmeyer, 2011: 84). The independence of the peasant movement was enhanced by the efforts of former miners such as Filomen Escobar who brought organizing expertise and leadership to the movement (Petras and Veltmeyer, 2011: 84). Other leaders such as current president Evo Morales and Alejo Velez Lazo also brought knowledge from rural areas to the broader Bolivian population. The movement that emerged had demands for land redistribution, cultural independence and the valuing of traditional indigenous beliefs and ways of life (Petras and Veltmeyer, 2011: 84).

Similarly to the Zapatistas in Mexico, this 'new peasant movement' connected challenges of land re-distribution and autonomy to American political and military interference in the country (Petras and Veltmeyer, 2011: 85). Sections of the movement considered combining diverse protest strategies with electoral politics, which encouraged debate about the interdependence between social movements and politics (Petras and Veltmeyer, 2011: 85). Dissatisfied with the actions of local and national parties, the peasant movement formed the Assembly for the Sovereignty of the Peoples (ASP), which won a dozen elections in coca-growing regions. The cocaleros or coca workers proposed

the party as a national alternative that would give peasants substantial national policy-making influence (Petras and Veltmeyer, 2011: 85).

While land issues continued to be crucial for coca growers in the movement, the focus shifted to issues of free trade and American attempts to eliminate coca production (Petras and Veltmeyer, 2011: 85). The protection of coca was based on the cultural and spiritual importance of the coca leaf and its representation of indigenous autonomy and independence (Petras and Veltmeyer, 2011: 85). The indigenous-peasant movement experienced challenges with the national government's neoliberal policies that ignored indigenous demands and Bolivian action against coca. The movement critiqued national Leftist policies and claimed that government served the interests of neoliberal elites (Petras and Veltmeyer, 2011: 85).

The coca farmers of Chapare led by Morales were some of the main opponents of the Paz Zamora government (Petras and Veltmeyer, 2011: 86). When the government announced a plan in May 1996 to completely eradicate surplus coca production, the Bolivian Rural Workers' Confederation responded by calling peasant farmers to arms to protect themselves and their families. The enhanced role of American advisors and agents in the daily political affairs of the country increased the nationalist and anti-imperialist nature of the struggle (Petras and Veltmeyer, 2011: 86). The struggle involving peasant producers and coca farmers' enhanced national consciousness and attention towards indigenous issues, autonomy, culture and rights. As the COB became integrated into internal conflicts and its leaders integrated within the government, initiative for social

action shifted to other societal sectors, especially towards the militant peasant movement (Petras and Veltmeyer, 2011: 86).

Responses to the neoliberal model in Latin America were diverse, focusing on a variety of goals such as challenging local and national elections, agrarian reform, indigenous autonomy, democratization, social justice and challenging American military interference (Petras and Veltmeyer, 2009: 40, Robles, 2001: 147, Andolina, 2003: 721, Veltmeyer, 2000: 93, Petras and Veltmeyer, 2011: 85). In Cochabamba in 2000, this challenge to neoliberal policies shifted from focusing on broader issues of autonomy toward protesting the privatization of the municipal water system in addition to reduced access and higher user fees (Olivera et al, 2004: 8-9). This movement was unique because it protested the privatization of a natural resource necessary for human survival and the health of the environment (Spronk and Webber, 2007: 32).

Origins and dynamics of the Water War

This section reviews the theorization of the privatization of water and other 'commons,' details the expansion of the global water market and investigates the dynamics of the water war movement in Cochabamba, Bolivia in 2000.

The movements that developed in Bolivia to protest the privatization of water and gas were examples of movements that emerged to challenge what David Harvey called 'accumulation by dispossession' through 'enclosing the commons' by privatizing previously state-owned enterprises (Spronk and Webber, 2007: 32). According to Harvey, Karl Marx correctly highlighted processes of capital accumulation based on violence and

argued that accumulation by dispossession led to a variety of social movements under a broad section of civil society. As a result of the wide range of interests represented in these struggles, Harvey argues that they produced a 'less focused political dynamic of social action' (Spronk and Webber, 2007: 32).

Despite these limitations, Harvey argues that movements to 'reclaim the commons' had revolutionary potential (Spronk and Webber, 2007: 33). With the onset of the neoliberal era, privatization had become a crucial strategy of accumulation by dispossession involving the transfer of control of a previously state-owned enterprise to a transnational corporation (Spronk and Webber, 2007: 32). Privatization is defined as the transfer of control over a set of assets previously owned by the state to a private company at a very low cost. The last stage of accumulation by dispossession began with a neoliberal ideology that redefined the role of the state under the control of the American state, the IMF and the World Bank (Spronk and Webber, 2007: 32).

The commons view of water emphasizes its unique characteristics as a resource essential for life and ecosystem health and is directly connected to communities and ecosystems through the hydrological cycle (Bakker, 2007: 441). Jonathan Rowe defines the commons as "the vast realm that lies outside of both the economic market and the institutional state, and that all of us typically use without price. The atmosphere and oceans, languages and cultures, the stores of human knowledge and wisdom, the informal systems of community, the peace and quiet we crave, the genetic building blocks of life, are all aspects of the commons" (Barlow, 2013: 68).

According to Richard Blocking, there are two types of commons. One type is a global commons including oceans, the atmosphere and outer space, while others, such as community spaces, common land, forests, and local medicines, are community commons (Barlow, 2013: 69). According to Barlow (2013: 69), there are three types of commons: the water, air, fisheries and forests of which human lives depend on, collective culture and knowledge, and the social commons guaranteeing access to basic healthcare, education and social programs such as pensions and welfare.

In recent decades, domestic corporations began expanding to other countries to take advantage of cheap labour, weak environmental regulations, and natural resources (Barlow, 2013: 71). Corporations began to gain access to the seeds, timber, minerals and water resources of extremely isolated regions. Access to the commons by transnational corporations became 'protected' by trade agreements, giving corporations the right to sue governments if their access was restricted (Barlow, 2013: 71). Corporations view water as an economic good that can be bought and sold instead of a community resource to be protected under the public trust doctrine (Barlow, 2013: 75).

The doctrine of public trust is the method to protect the commons from encroachment (Barlow, 2013: 70). The commons must be protected for the common good and must not be used for private profit. Under the public trust doctrine, all levels of government are required to act as trustees to protect these resources and to fulfill the financial responsibility to sustain them (Barlow, 2013: 70). This doctrine was challenged by the increase of private rights to water. Starting in the 1970s, for example, the health of

the commons began to be challenged by processes of economic globalization (Barlow, 2013: 71).

According to Vandana Shiva, the enclosure of the water commons occurred through dams, groundwater mining and privatization (Barlow, 2013: 72). The principle of private ownership as practiced by transnational corporations was unfamiliar to the majority of the world's rural, peasant and indigenous communities (Barlow, 2013: 72). Traditional societies did not understand their resources as having an economic value. Instead, according to Shiva, they viewed their resources in terms of community benefits, therefore emphasizing relationships over economic gain (Barlow, 2013: 72).

Beginning in the 1970s, governments from mostly wealthy countries began supporting private ownership of water and other commons (Barlow, 2013: 73). As governments eliminated social security systems, corporate values replaced the values of the commons such as collective ownership and inclusion. Many services once considered outside of market control became an opportunity for profit (Barlow, 2013: 74).

Governments and companies began to attempt to profit from the land, genetic, mineral, forest and water resources of the commons, transferring hundreds of billions of dollars away from public social services. Enclosure of the commons can threaten the health of the environment by valuing profit over sustainability and can impose market values in areas that should be free from commodification (Barlow, 2013: 74).

According to Barlow and Clarke (2002: 104), the responsibility of providing quality and consistent water services shifted from governments to transnational corporations. The authors claim that despite the intentions of corporations, private

businesses are not designed to meet the needs of the public, but to obtain profit. As governments abandoned their responsibility to protect their country's water commons, transnational water corporations like Suez began taking on this responsibility (Barlow and Clarke, 2002: 104). In the early 2000s, provision of water services started to become a significant business investment, supported by global water markets, making water 'an industry for the 21st century' (Barlow and Clarke, 2002: 104).

Starting in the 21st century, the global water industry began to experience significant growth (Barlow and Clarke, 2002: 109). Shareholders demanded increasing profits, encouraging water corporations to continually grow and obtain profits. This encouraged major water corporations to expand marketing internationally and to obtain more companies (Barlow and Clarke, 2002: 109). Secondly, water corporations were motivated to expand because of the World Bank's policy of encouraging partnerships with other companies. Finally, water corporations were motivated to expand because of their broad relationships with governments, banks, IFIs and political parties (Barlow and Clarke, 2002: 109).

According to Jeffrey Webber, fifteen years of neoliberal economic restructuring from 1985-2000 in Bolivia resulted in the dominance of elitist 'pacted' democracy and the deconstruction of popular movements (Webber, 2009a: 2). Left-indigenous struggle in Bolivia was reawakened with the Cochabamba water war in 2000 against the World Bank enforced privatization of the Cochabamba municipal water utility. Webber argues that this uprising initiated a five-year protest cycle within urban and rural populations, the indigenous majority and other populations (Webber, 2009a: 2). The social movements

from 2000-2005 in Bolivia resulted in the removal of two neoliberal presidents, Gonzalo Sanchez de Lozada in 2003 and Carlos Gisbert Mesa in 2005 (Webber, 2009a: 3). During this protest cycle, state violence was not sufficient to reduce the power of the social movements and instead delegitimized neoliberal economic policies and radicalized movement demands (Webber, 2009a: 3).

Many authors state that movement leaders mobilized diverse populations such as workers, peasants, children, the elderly, politicians, business people, labour leaders, women and middle class citizens (Olivera et al, 2004: 34, Shultz, 2009: 17 and McNeish, 2006: 232). Thomas Perreault (2006: 166), however, emphasizes the exclusionary nature of the water war protests. The author explains that the irrigators maintained their influence in a way that hurt the needs of urban migrant populations that had inconsistent water access. The Cochabamba Peasant Irrigators' Federation (FEDECOR) was composed primarily of irrigators in the lower and central valleys of Cochabamba who had access to high quality land, urban markets and personal wells (Perreault, 2006: 166). Perreault (2009: 166) states that through the water war, FEDECOR solidified its political capacity and maintained its political and social influence to guarantee success. As a result, the benefits of the achievements were distributed unequally throughout Bolivia's peasant populations (Perreault, 2006: 167).

The central concern of movement leaders and participants was the extreme price hikes following SEMAPA's privatization (Bakker, 2008: 237). Two months following the sale of SEMAPA to Aguas del Tunari, rates were raised by as much as two hundred percent without service improvements, which ultimately cut off access to water for

working class and poor populations. Working class and poor Bolivian citizens no longer had access to a natural resource central to human survival (Bakker, 2008: 237).

Additionally, Webber (2009a: 182) notes the centrality of cultural traditions and customary water uses within the water war protests. Webber (2009a: 182) states that the water wars were considered an anti-neoliberal social movement in which indigenous protest participants emphasized the importance of *usos y costumbres*, or cultural traditions regarding the use of commonly held water dating back centuries for Quechua indigenous communities.

Similarly, Oscar Olivera (2004: 8) states that in Bolivia, people understood water as a sacred entity, and believed their right to water should not be sold. For rural people, this right was connected to traditional beliefs and customs dating to the times of the Incas (Olivera et al, 2004: 8). In addition to the central concerns over extreme price increases, the widespread idea that entire communities were to benefit from water access and that it should never be used for private profit were popular within the movement (Olivera et al, 2004: 8). Perreault (2008: 835) also explains how leaders of FEDECOR centred the conflict on traditional and customary water uses. The irrigators believed that the water war victory represented the protection of their traditional and customary water uses that were considered to be threatened by neoliberal government policies (Perreault, 2008: 835).

In addition, the extreme price hikes that ultimately cut off water access for poorer populations led to the centrality of the ideas of water as a human right and as necessary for survival within the movement. Participants in the movement emphasized the centrality

of water to basic human survival and to the health of individuals and communities as articulated by the slogan, "to privatize water is to privatize life itself" (Webber, 2009a: 183). Importantly, water scarcity and the price increases that came with privatization were fundamental concerns of the protesters and impacted the majority of the Cochabamba population negatively (Webber, 2009a: 183). In contrast to other natural resources, water is necessary for human survival and is crucial to the sustainability of communities and countries (Perreault, 2005: 269). Cochabamba is located within a dry and fertile valley with great competition over water for domestic and productive uses. Due to water scarcity and its necessity for human survival, water was one of the significant political issues in the city (Spronk, 2007: 15).

Webber (2009a: 183) emphasizes the macro-focus of the protests and that the dominant role of IFIs and multinational corporations enabled the reemergence of the Bolivian tradition of anti-imperialism and a challenge to macro-foundations of power, hegemony and inequality. The development of feelings of solidarity, of an oppositional consciousness and of a greater knowledge of the influence of mass protest led to the radicalization of protest demands between 2000 and 2005 (Webber, 2009a: 183). Webber (2009a: 183) claims that the victory represented the first victory of left-indigenous social movements after fifteen years of the dominance of neoliberal policies in Bolivia. The indigenous and working classes were understood to have won a struggle against the Bolivian ruling class, the neoliberal government, the IMF and the World Bank, and the transnational water corporation owned by the American company Bechtel (Webber, 2009a: 183).

In contrast, Spronk and Webber (2007: 33) argue that the protests during the gas wars produced a more macro-focus and represented a more significant challenge to neoliberal expansion in Bolivia than the water war. The gas wars represented a struggle against the privatization of the hydrocarbon sector in Bolivia. The authors explain how the gas wars of September-October 2003 represented the rising of indigenous radicalism and an exposure of the oppressive nature of the Bolivian state (Spronk and Webber, 2007: 35). The struggle shifted from El Alto (the suburb surrounding the capital city) to La Paz with neighbourhoods and middle-class residents joining the movement. On October 17, 2003, more than 50,000 people took to the streets, forcing neoliberal president Sanchez de Lozada and his supporters to flee the country. Under Sanchez de Lozada, more than 80 people were killed in September-October 2003 and approximately 80 people suffered gun wounds (Sponk and Webber, 2007: 36).

Given the perceived lesser importance of water as an economic good by the Bolivian government, Spronk and Webber (2007: 42) argue that the water war protests produced a micro-focus and were not concerned with challenging macro-foundations of power and inequality. Despite successfully blocking the privatization, activists learned that expelling foreign corporations and altering national water laws were small steps in controlling and reforming the national water system and many protesters felt that achieving control of the local water system did not significantly impact their lives, symbolizing the narrow focus of the protests (Spronk and Webber, 2007: 41-43).

Webber argues that the water war protests attempted to reform unequal power structures and to overcome political and social inequality and oppression. According to

Webber, the left-indigenous movement from 2000 and 2005 represented struggles for liberation in addition to overcoming racial oppression and class exploitation (Webber, 2011: 49). Most significantly, beginning with the water war, the popular movements put forward the idea of a revolutionary Constituent Assembly that would transform the Bolivian state and society, greater serve the poor indigenous majority and overcome racial and class exploitation through direct political participation and democracy (Webber, 2011: 4). However, the assembly that was actually introduced by the 2006 Morales government ignored all revolutionary and participatory aspects of the assembly. In contrast, to appeal to the elites of the Santa Cruz region, the assembly that was introduced by the government was similar to the structure of the congress (Webber, 2011: 4).

Similarly to efforts to enhance democracy, Olivera (2004: 8-15) states that the Bolivian political system needed to be reformed to include collective discussion, decision-making and implementation to solve common problems. The need for political reform resulted from the repressive policies of IFIs and the IDB that impacted the actions of the Bolivian government and led to the spread of social activism (Olivera et al, 2004: 8-15, Kohl, 2006: 305 and Perreault, 2006: 156).

In addition to Olivera's connection with the policies of IFIs, Benjamin Kohl connects anti-privatization protests and neoliberalism in Bolivia to systems of hegemony resulting from "transnational political networks that seek to sustain, regulate and rule an increasingly global capitalist order" (Kohl, 2006: 308). Kohl also draws on Antonio Gramsci's definition of hegemony involving elites using civil institutions to obtain

consent for their policies through 'intellectual and moral direction' based on force and coercion (Kohl, 2008: 309). Similarly to the argument that elites sustain hegemonic systems, Brent Kaup argues that radical shifts toward and away from neoliberal policies in Bolivia were shaped by conflicts between transnational and local actors and by conflicts between competing domestic elites (Kaup, 2012: 2). According to Kohl, hegemony encompasses actions and policies of civil society, the state and domestic and international elites (Kohl, 2008: 309).

Many authors agree that transnational actors and domestic and international elites exercised significant control over the political and economic affairs of Bolivia without the full and informed consent of the people, therefore dispossessing them of their natural resources (Kaup, 2012: 98 and Spronk and Webber, 2006: 32). In relation to Olivera's central claim, John-Andrew McNeish (2006: 220) argues that protests in Bolivia since 1985 were linked to failures to improve democratic participation that were rooted in prejudicial international and national policy. Also, Moises Arce and Roberta Rice (2009: 88) maintain that the 2000-2005 round of protests were based on the idea that legislative and executive branches of the government could no longer be the sole decision-making bodies and instead, decision-making must occur with active societal discussion (Arce and Rice, 2009: 88). These arguments are related to Olivera's (2004: 8-15) claim that political reform was needed to enhance democracy and collective decision-making in Bolivia.

Conclusion

In conclusion, the Cochabamba water war was an example of an anti-neoliberal and anti-imperialist social movement protesting the privatization of the city's water commons (Spronk and Webber, 2007: 32 and Webber, 2009a: 183). The movements that emerged in Bolivia to protest the privatization of water and gas challenged what Harvey calls 'accumulation by dispossession' through 'enclosing the commons' (Spronk and Webber, 2007: 32). According to Harvey, violent capital accumulation led to a variety of social struggles under a broad section of civil society, producing movements with a "less focused political dynamic of social action" (Spronk and Webber, 2007: 32).

In addition, Webber (2009a: 183) emphasizes the anti-neoliberal and anti-imperialist nature of the protests. According to the author, the water war victory represented the first victory for Bolivian citizens against neoliberalism since 1985 (Webber, 2009a: 183). Because of the movement's strong social base, indigenous and working classes were understood to have won a struggle against the country's ruling class, the neoliberal government, the IMF, the World Bank and the transnational water corporation owned by the American company Bechtel (Webber, 2009a: 183).

The privatization of water was an extreme application of the neoliberal policy of privatization because unlike other natural resources, water is crucial for human and environmental survival (Webber, 2009a: 183). In addition to protesting higher user fees, the idea of access to water as a human right and as central to human survival was critical during the water war protests and contributed to the movement's victory (Webber, 2009a: 183). Due to water scarcity in Cochabamba and the importance of water access, water

was one of the most politically contentious issues in the area, which enabled protest leaders to gain support from diverse social classes, occupations and cultural groups (Webber, 2009a: 183).

The movement was successful because its leaders effectively mobilized diverse populations of workers, peasants, children, the elderly, politicians, business people, labour leaders, women and middle class citizens (Olivera et al, 2004: 34, Shultz, 2009: 17 and McNeish, 2006: 232). Significantly, indigenous organizers transformed the movement from a local protest to a broad social movement. Leaders connected the privatization of water to the traditional and customary water uses of indigenous communities (Webber, 2009a: 182). The privatization of the water system was considered an assault on these customary uses and on the role of indigenous peoples as guardians of nature, as water was understood to be a sacred entity by indigenous peoples (Olivera et al, 2004: 8). The Coordinadora based its actions on the higher user fees in addition to the indigenous beliefs that water was a collective right, that entire communities were to benefit from water access and that it could not be sold for private profit (Ochoa et al, 2009: 74).

The 2000 water war movement was a different process than previous antineoliberal social movements in Latin America during the 1980s and 1990s (Olivera et al,
2004: 28). The movement generated strong forces of resistance in urban and rural areas to
protest the privatization of water, a resource necessary for human life, and more
generally, the imposition of capitalism and neoliberal policies (Olivera et al, 2004: 28).
The movement resulted in a struggle between a strong community coalition and

government forces, which eventually forced the Bolivian government to reverse its privatization contract and to expel the foreign company from the country (Olivera et al, 2004: 28).

Chapter 3

The Context:

An Explosion of Anti-Neoliberal Social Movements in Bolivia

Introduction

A variety of social movements emerged in response to the negative effects of neoliberal policies in Bolivia (Goldstein, 2005: 396). Specifically, in response to the privatization pillar of the neoliberal model, a broad-based social movement emerged in Cochabamba to protest the privatization of SEMAPA, the municipal water system. Led by a coordinating group ('la Coordinadora'), the social movement was successful in ejecting Aguas del Tunari, partially owned by Bechtel, from Bolivia (Olivera et al, 2004: 8).

The purpose of this chapter is to establish the historical context of the neoliberal model in Bolivia and the social movement that mobilized forces of popular resistance to it in Cochabamba. The chapter will be divided into four sections as follows:

1. Global expansion of the neoliberal model

During the 1980s and 1990s, the neoliberal model achieved global hegemony with the emergence of a 'new world order' following the collapse of socialism in the former USSR and in Eastern Europe (Veltmeyer, 1997: 207). A major outcome of the new world

order emerging in Latin America was the strengthening of policy frameworks that focused on market-oriented economic reforms. These reforms included trade and capital liberalization, deregulation, privatization and the expansion of the mobility of capital in the form of foreign direct investment (FDI) (Veltmeyer, 1997: 208). The 'structural adjustment program' (SAP) of the World Bank and the IMF and the macroeconomic reforms (privatization, liberalization, deregulation) mandated by the Washington Consensus resulted in a massive inflow of FDI into Latin America in the 1990s. Table 1.1 captures some of the dynamics of these massive capital inflows and associated outflows in the form of FDI.

Table 1 Long-term north-south capital flows, 1985–2001 (US\$ billion)

	1985–89	1990–94	1995–99	2000–01
Official (foreign aid)	200.0	274.6	230.1	74.1
Private capital	157.0	550.5	1 240 4	206.0
FDI	157.0 76.0	552.5 268.5	1,240.4 772.8	386.8 334.9
Portfolio investments	6.0	111.5	165.6	69.4
Other	75.0	172.5	302.0	-18.5

Net resource inflow 357.0 827.1 1,470.8 440.9

Sources: Petras & Veltmeyer, 2013: 31; based on data in IMF (2000) and World Bank (2002).

Latin America experienced the first major wave of FDI during the 1960s and 1970s, but the imperialist nature behind this policy was restricted by the role of the developmental state (Veltmeyer, 2012: 63). To free market structures from the apparent

restrictions of the developmental state, the IMF and the World Bank designed a set of macroeconomic policy reforms that were imposed as a response to the Latin American debt crisis (Veltmeyer, 2012: 63). These policies encouraged a new form of capital inflow into Latin America during the 1980s. In the 1970s, the region experienced a massive inflow of capital in the form of loans, and in the 1980s, a massive outflow of capital as debt repayments (Veltmeyer, 2012: 63).

In the 1990s, Latin American countries experienced a major capital inflow encouraged by the macroeconomic reforms imposed by the IMF and the World Bank (Veltmeyer, 2012: 63). In response to these reforms, multinational corporations (MNCs) increased their investment in the region from \$8.7 billion in 1990 to \$61 billion in 1998. During this period, forty-three percent of FDI from the US to developing countries was sent to Latin America (Veltmeyer, 2012: 63).

2. The expansion of neoliberalism in Latin America

Following the introduction of neoliberal policies in the region in the 1970s and 1980s, Latin American governments attempted to reduce social spending to encourage the free flow of the market. Governments reduced social spending by privatizing previously state-owned enterprises to reduce the countries' debt burden and to secure future investment opportunities (Gwynne and Kay, 2000: 150).

3. Neoliberalism in Bolivia

The Bolivian neoliberal project was constructed by a small group of elites who supported Hugo Banzer's presidential campaign. In 1985, Banzer put together a small group of economists to construct an economic plan (Conagan et al, 1990: 13). The state restricted government participation in the economy by privatizing many state-owned enterprises, enhancing the influence of the private sector and encouraging self-employment among workers displaced by the privatization policy (Goldstein, 2005: 396).

4. Responses to neoliberalism in Bolivia: The Cochabamba Water War

The popular response to the government's neoliberal policy agenda regarding the privatization of water—the mobilization of resistance in the form of a powerful social movement—can be analyzed in two ways: (i) the conditions leading up to the movement; and (ii) the actual dynamics of the social movement.

(i) Conditions leading up to the movement

In Bolivia, the World Bank was primarily responsible for attempts to privatize the Cochabamba municipal water company. In the mid-1990s, the World Bank gave the Bolivian government a loan to improve its public water systems and to encourage private investment, making privatization a requirement to continue receiving loans (Spronk & Webber, 2007: 39). Two months following the sale of SEMAPA, rates were raised by almost two hundred percent without service improvements (Bakker, 2008: 239). The higher fees eventually triggered the movement that succeeded in ejecting Aguas del

Tunari from Bolivia and in reversing the privatization contract (Spronk and Webber, 2007: 39).

(ii) The water war movement

Under the leadership of Oscar Olivera, the Coordinadora successfully mobilized diverse populations such as children, environmentalists, teachers, business people and activists and held collective citywide meetings to portray the needs of the collective group (Olivera et al, 2004: 56-57). The Coordinadora used unique protest strategies, such as a holding its own referendum to ask citizens their opinions on water privatization. Despite the overwhelming support for the movement, the government did not act on the results of the referendum (Olivera et al, 2004: 36).

Global expansion of neoliberal governance

During the 1980s and 1990s, the neoliberal model obtained significant global influence (Gwynne and Kay, 2000: 142). This period saw the collapse of Soviet Russia and the state-led economic model. The introduction of neoliberal reforms in certain parts of Europe and the smooth transition from state to market-led economies gave Latin American governments incentives to adopt these programs. Latin American politicians understood that neoliberal principles were the basis of competitive industrial economies around the world (Gwynne and Kay: 142). According to Latin American treasury ministers, it became necessary for economies to modernize to become more competitive in the global capitalist market. Economic modernization was considered necessary for

governments to attract foreign investment from transnational corporations that had various investment options across the continent (Gwynne and Kay, 2000: 142).

The expansion of neoliberalism in Latin America

Following the introduction of neoliberal policies, national governments in Latin America attempted to reduce their commitments to social welfare programs to enable the free flow of the market (Gwynne & Kay, 2000: 150). Governments reduced social spending through privatizing various sectors of society such as pension reform and social programs, reducing government debt burden and encouraging private investment (Gwynne & Kay, 2000: 150). The private sector was also encouraged to invest in education and health care, often resulting in two-tiered systems that allowed access to the middle and upper classes while the poor populations were left without sufficient government assistance in a low quality and underfunded public service (Gwynne & Kay, 2000: 150). As a result of the decrease in state social spending, nongovernmental organizations (NGOs) increased their role in the provision of basic services in urban and rural areas (Gwynne & Kay, 2000: 150).

In the region, social spending dropped by twenty-four percent in the 1980s, and the quality and level of social services declined, even in countries with the most effective systems. During the 1980s, average per capita income in the region "fell by 11 percent, real wages declined substantially and there was a sharp increase in unemployment or underemployment" (Nilsson & Gustafsson, 2012:121). Most new jobs that were created were in the informal sector, in which low wages and poor working conditions were

common. The size of the informal sector in Latin America in relation to formal employment increased from 25.6 percent in 1980 to 31.9 percent in the 1990s, when seven of every ten jobs were generated in the informal sector (Nillson & Gustafsson, 2012: 122).

Neoliberalism in Bolivia

In the 1980s within the context of an expanding debt crisis in the region, the Bolivian state followed the demands of international lending agencies and lender nations and adopted neoliberal policies and economic reforms (Goldstein, 2005: 396). Under the control of the World Bank and the IMF, whose policies were represented by Jeffery Sachs, a Cambridge economist invited to construct a policy response to Bolivia's inflation, a policy termed 'shock therapy,' the economy was restructured to encourage multinational investment, the privatization of previously state-owned enterprises and a diminishing of welfare state public spending and social programs (Wilson, 2014: 16: 20-40).

These policies brought unemployment and an increase in poverty for the majority of the population. Diverse attempts by the government to implement these policy measures and to advance its neoliberal agenda over the 1990s were met with protest and an uprising of the population entailing considerable state violence, as shown in the gas wars of 2003 and 2005 (Goldstein, 2005: 396). As the water and gas wars illustrate, protesters understood their poverty had its origins in the oppression integrated within

transnational capitalism, and that privatization and open markets had negative impacts on their standards of living and quality of life (Goldstein, 2005: 405).

In Bolivia, the neoliberalism project was developed by an elite group that supported Hugo Banzer's presidential campaign within the ruling class (Conagan et al, 1990: 13). In early 1985, Banzer put together a small group of economic advisors to help him develop an economic plan and the group was considered an informal advisory committee to the president. The committee had served with the previous Banzer government and had positions within the Accion Democratica Nacionalista (ADN) political party (Conagan et al, 1990: 13). Ronald Maclean, an ADN politician and Kennedy School graduate, suggested that the specifics of Bolivia's neoliberal program be developed in cooperation with economists at Harvard University. In the spring of 1985, Banzer and his administration travelled to Cambridge, Massachusetts for a seminar on the Bolivian economy and Sachs became the advisor to this team of Bolivian politicians (Conagan et al, 1990: 13).

Bolivia had one of the most aggressive neoliberal models in Latin America. Since 1985, the Bolivian state favoured policies that restricted the direct participation of the state in the economy, that enhanced the influence of the private sector, and that promoted the self-employment of displaced workers (Goldstein, 2005: 396). As of 2005, all previously publicly owned industries had been privatized, the political influence of trade unions had declined, jobs and state programs were cut, and previous responsibilities of the state concerning economic and social development were transferred to the private sector or to NGOs (Goldstein, 2005: 396).

Privatization in Bolivia had been a controversial issue since the development of the country's first World Bank SAP in 1985 (Kohl, 2004: 894). In 1985, the IMF stabilization plan led the Paz Estenssoro (1985-90) government to institute the New Economic Plan (NEP), which reduced government spending and enforced a strict economic policy meant to control hyperinflation (Kohl, 2004: 896). The NEP resulted in the closing of numerous state owned mines and the firing of 25,000 miners. The mines had been nationalized in 1952 and were a crucial institution for labour organizing and were the origin of anti-neoliberal protests in Bolivia (Kohl, 2004: 894).

The destruction of mining unions had significant impacts on social movement organizing in Bolivia (Kohl, 2004: 894). Kohl maintains that the Bolivian model of privatization reduced the government's ability to design sustainable economic policy and resulted in increased political instability. As a result, social organizing and public protests increased as large portions of the population protested against the government's economic restructuring. However, traditional social movements were not able to reduce private sector influence in the mining industry (Kohl, 2004: 894).

In 1992, President Paz Zamora passed the Law of Privatization, allowing the sale of thirty small state firms to private companies (Kohl, 2004: 897). Despite this law, the World Bank and other international institutions continued to encourage large-scale privatization measures. During his 1993 presidential campaign, Sanchez de Lozada, Planning Minister in Zamora's government, proposed the partial sale of the six largest state owned firms in Bolivia, in which the government would obtain a fifty-one percent

share of the firms and distribute them to Bolivian citizens over the age of twenty-one (Kohl, 2004: 897).

The 1993 Plan de Todos attempted to bring together demands for greater regional autonomy and economic liberalization by increasing private sector participation in certain industries and restricting state involvement in the same sectors (Perreault, 2006: 156).

This resulted in transnational corporations gaining almost unrestricted access to the country's natural resources. State restructuring under the Plan de Todos led to the rescaling of the national economy and to the shifting of control over natural resources from the state to largely foreign and private control (Perreault, 2006: 156).

The Law of Capitalization was signed in March 1994 with little Congressional debate, and led to the sale of the federal oil and gas, telecommunications, airline, power and railroad companies (Kohl, 2004: 898). This law established guidelines on how best to distribute profits garnered from privatizing previously state owned enterprises. As the contracts for this sale gave the government forty-nine percent of the shares of the privatized companies, they were unable to use the extra profit to reduce the national deficit, similarly to efforts in Mexico and Brazil (Kohl, 2004: 898). The law resulted in a variety of reactions across the political spectrum. The political left called the law unconstitutional and claimed the government had handed the country's national wealth over to transnational companies unfairly, and the political right spoke against the sale of strategic industries (Kohl, 2004: 899). The military class was against the sale of the railroads to a Chilean company, claiming it was a national security threat. Additionally, economists on the right and left claimed that the law would lead to the loss of 12,000 jobs

and would reduce governmental ability to construct effective economic policy (Kohl, 2004: 899).

Responses to the neoliberal model in Bolivia: The Cochabamba Water War

Conditions leading to the movement

Protests against the sale of previously state-owned industries began before Sanchez de Lozada took office for the first time in 1993 (Kohl, 2004: 899). Public mobilizations primarily consisted of daily marches and demonstrations in La Paz and members of individual unions striking and protesting once their firms were sold to private companies. While protesters regularly took to the streets and clashed daily with riot police, constant mobilizations became a part of daily life in many Bolivian cities. However, these protests did not restrict the future sale of other industries to private companies and did not stop the mass layoffs that followed (Kohl, 2004: 899).

In Bolivia, the World Bank was primarily responsible for the attempts to privatize municipal water systems in Cochabamba and El Alto, La Paz. In the mid-1990s, the World Bank gave a loan to Bolivia to improve its public water systems and to encourage investment (Spronk and Webber, 2007: 39). The World Bank and the IDB made the privatization of SEMAPA a condition of continuing to receive loans, and recommended the elimination of controls over water prices (Olivera et al, 2004: 8). Generally, upper class Cochabamba citizens reacted modestly to the fee increases, while working class

people could not afford the additional \$30 monthly that came with the privatization (Olivera, et al, 2004: 8).

Two months after the sale of SEMAPA to Aguas del Tunari, rates were raised, in some cases by two hundred percent, without service improvements (Bakker, 2008: 239). Compared to the water company in El Alto, the Cochabamba system was not effective. Prior to the privatization of SEMAPA, Cochabamba citizens received water for approximately four hours a day and the system covered fifty-seven percent of the population (Spronk and Webber, 2007:39).

The contract awarded by the government to Aguas del Tunari encompassed expanding water production through the construction of a dam tunnel project that would cost approximately US \$300 million. Additionally, the contract guaranteed the company a return of fifteen to seventeen percent over the forty years of the contract (Spronk and Webber, 2007: 39). Following the World Bank recommendation that dam construction must not be funded by the public sector, the most stable source of funding was the individual users. To pay for the project, the company increased water fees, triggering the Cochabamba water war of 2000, which eventually ejected Aguas del Tunari from Bolivia (Spronk and Webber, 2007: 39).

Near the end of 1999, the irrigators visited Oscar Olivera, a former shoe factory worker and president of the Cochabamba Federation of Factory Workers. In his office, farmers, factory workers, environmentalists and others discussed the government's plan to transfer control of the water system to Aguas del Tunari and the possible implications of this action (Shultz, 2009: 17). At this meeting, they decided to form a city-wide

rebellion against this plan and formed an alliance, the Coordinadora por la Defensa del Agua y de la Vida (the Coordinadora) to do so. The Coordinadora was formed as a response to what was seen as a failure of local institutions to protect the wellbeing of community residents (Shultz, 2009: 17).

The Cochabamba Water War social movement

The anti-privatization movement that followed was successful in ejecting Aguas del Tunari from Bolivia (Olivera et al, 2004: 8). Beginning in April 2000, the movement effectively mobilized diverse populations and held collective, citywide meetings to accurately portray the goals and needs of the collective group (Olivera et al, 2004: 56-57). Thomas Kruse defines the Cochabamba water war as "an example of the tensions and conflicts that globalization provokes at local levels" (Nilsson & Gustafsson, 2012: 99). Prior to the attempted privatization of SEMAPA, water was not considered an important part of the private market, even though it had always been significant for personal and agricultural use (Nilsson & Gustafsson, 2012: 99). Founded by Oscar Olivera, the Coordinadora used unique protest methods such as holding their own referendum by placing ballot boxes in different areas of Cochabamba to ask citizens their opinions about the privatization of water (Nilsson & Gustafsson, 2012: 101).

A referendum against water privatization was organized in March 2000 and was the first in Bolivian history with over 50,000 people voting for or against the privatization of water (Olivera et al, 2004: 36). This process illustrated that the Bolivian people did not support Aguas del Tunari's presence in the country and that Law 2029, which enabled the

privatization of water, had to be changed (ibid.). By the middle of March, however, it was clear that the government had no intention of acting on the results of the referendum. As a result, leaders decided to demand not only the revision of the contract, but also the ejection of Aguas del Tunari from Bolivia (ibid.).

Two months had passed and the government refused to act on the results of the referendum. What became known as the 'last battle' took place over eight days and included the blockading of the main highways and significant protests in the centre of the city (Olivera et al, 2004: 37). On the final day of the protests, the movement mobilized 100,000 people and eventually succeeded in ejecting the company from Bolivia, in reversing the privatization contract and winning a drastic reform of Law 2029 (ibid.).

Implications of neoliberalism in Bolivia

The success of neoliberalism in Bolivia was dependent on stimulating foreign investment, and predominately benefited economic elites. Bolivian legislation made it easier for employers to dismiss workers without reason and led to massive un- and underemployment, primarily in the mining sector (Sanabria, 1999: 538). Neoliberalism in Bolivia, similarly to results across Latin America, led to the exploitation of non-renewable resources, environmental degradation, and rising poverty levels. Miners, urban workers and peasants had unsuccessfully resisted mass firings, wage freezes, and increasing prices on consumer goods (Sanabria, 1999: 539).

The implementation of neoliberal policies had drastic consequences for the country's previously most powerful social actor, the Bolivian Workers' Central (COB), a

confederation of Bolivian trade unions (Arce and Rice, 2009: 93). Economic restructuring weakened the position of organized labour within the national economy through privatizing state-owned industries, leading to massive job loss across various sectors. The decline of organized labour generated opportunities for new social actors including indigenous and rural landless groups and neighbourhood organizations (Arce & Rice, 2009: 93).

These groups, while lacking formal and legal representation, were at the forefront of anti-neoliberal protests in Bolivia. Although these groups were vulnerable to government attempts to weaken the social movements, the ability of movement organizers to connect the needs of diverse groups to a clear critique of government and international policies and to mobilize mass public actions were integral tools for the country's anti-neoliberal social movements (Arce and Rice, 2009: 93).

Conclusion

Encouraged by the Cochabamba victory, indigenous and peasant groups from the highland regions led by Filipe Quispe and future president Evo Morales mobilized in September 2000 around a variety of issues, a period known as Black September (Arce & Rice, 2009: 92). As a result of the expansion of participation in popular protests, road blockades consisted of protesters physically occupying several miles of highway, making it more challenging for the military to remove the blockades. The September 2000 protests concluded with the signing of a document constructed by protest leaders covering more than fifty points ranging from the adaptation of specific laws to the modification of

infrastructure projects (ibid.). According to Laserna (2002), results of the September 2000 protests and other victories included an increasing frequency of street protests; more direct protests; and massive mobilizations based on the idea that those who did not participate would not have their voices taken into account (Arce & Rice, 2009, 92).

According to Webber (2009a: 2), the 2000 water war movement was significant because it initiated a five-year protest cycle within diverse populations. This cycle resulted in the removal of two neoliberal presidents: Gonzalo Sanchez de Lozada in 2003 and Carlos Gisbert Mesa in 2005, and led to the election of an indigenous and socialist president, Evo Morales (Webber, 2009a: 2). The water war was a crucial social movement because it represented the first victory for the Bolivian people against fifteen years of neoliberal dominance. The achievements of the movement symbolized a victory for indigenous peoples against the Bolivian ruling class, the neoliberal government, IFIs, and the transnational corporation, Bechtel (Webber, 2009a: 183).

Chapter 4

The Cochabamba Water War:

Outcomes of the Resistance

Introduction

This chapter examines the immediate outcomes of the water war, a multi-based social movement that emerged in Cochabamba, Bolivia, to protest the privatization of SEMAPA, the Cochabamba municipal water system. It examines the movement's outcomes between the years 2000 and 2006. It questions whether the movement was successful in achieving its broader goals, for example, transforming the Bolivian political landscape (Olivera et al, 2004: 8).

The chapter will be divided into five parts: (i) local political impacts; (ii) impacts on national and global policy; (iii) increased focus on water issues; (iv) inspiration provided for other social movements; and (v) the restructuring of labour unions related to the social movement formed in the struggle over water.

Local political impacts

At the local level, the Coordinadora failed to radically democratize SEMAPA and did not achieve its goals of increased efficiency and transparency, democratic decision-making, and universal access in the provision of water services (Bakker, 2008: 239). Following

the water war, approximately forty percent of the population did not have access to water and had to rely on unsafe and expensive water sold privately (Perrault, 2006: 159).

Impacts on national and global policy

In the past, Bolivian governments were required to share power with the military. After April 2000, however, weak governments were forced to cooperate with strong and influential social movements (Shultz, 2009: 29). The most obvious national impact of the movement was the election of Evo Morales as president as the leader of the MAS (Movement Towards Socialism) Party. Morales's platform directly challenged the Washington Consensus and voting for him became a symbol of solidarity for those involved in the Cochabamba struggle (Shultz, 2009: 29).

Increased attention towards water issues

Following the Cochabamba water war, new pressure was placed on the government to create a transparent and participatory model of water governance. Civil society network, Mesa Técnica del Agua, had the idea to create a transparent forum concerned with water management encompassing civil society, state and market actors (Boelens, Getches & Guevara-Gill, 2010: 288).

Inspiration provided to other social movements

The water war victory was an inspiration to other social movements in Latin America and globally. Three and a half years after the water war, Bolivia experienced another powerful

anti-privatization movement protesting the plan allowing the export of natural gas through a Chilean port and that privatized the hydrocarbon sector (Perreault, 2008: 247). In addition, a similar movement emerged in Peru in March 2005 to protest the privatization of the local water utility, SEDAM-Huancayo (Spronk, 2009: 169).

Restructuring of labour unions

The victory led to the restructuring of union leadership and labour relations in the country. Following the movement, Coordinadora representatives introduced radical proposals aiming to democratize and decentralize the public utility based on community and social control through direct public participation (Spronk, 2009: 168).

Local political impacts

On the national and international levels, the immediate outcomes of the Cochabamba water war were substantial (Spronk and Webber, 2007: 21). According to Oscar Olivera, the water war was more than a struggle over water and instead represented a struggle 'from below' to create a new form of democracy. Following the water war, Olivera and the Coordinadora became important international figures in the global campaign for publicly owned water and successfully expanded the demands of the Coordinadora to the national and international levels (Spronk & Webber, 2007: 21).

At the local level, however, the immediate outcomes of the resistance were less significant (Bakker, 2008: 239). The failure of the Coordinadora to radically democratize SEMAPA meant a failure to achieve its goals of increased efficiency and transparency,

democratic decision-making and universal access within the provision of water services. In 2006, connection rates were less than fifty percent, corruption, inefficiency and lack of resources continued to hinder the success of SEMAPA and efforts to expand access to rural areas were hindered by lack of capital (Bakker, 2008: 239 and Spronk & Webber, 2007: 21). In addition, services for those already customers of SEMAPA did not improve and in many areas of the city, water was provided for only a few hours a day. Five years after the water war, local activists connected to the Coordinadora acknowledged that drastically reforming the municipal company was more challenging than previously anticipated (Spronk & Webber, 2007: 21). Currently in Cochabamba, families outside SEMAPA's current service area are required to pay five to ten times more for water services than wealthy families connected to the municipal system. However, for those connected to SEMAPA, water access is intermittent and the water is of inconsistent quality (Achtenberg, 2013).

Under the influence of many neoliberal governments from April 2000 to

December 2005, the Bolivian government put few monetary resources into the newly

nationalized water utility. Under the Aguas del Tunari contract, all previous debt of

SEMAPA was forgiven (Spronk & Webber, 2007: 21). However, following its

nationalization, the company was responsible for fulfilling all the debts it had

accumulated over the past thirty years, totaling approximately US \$18 million (Spronk &

Webber, 2007: 21). Other government institutions also demanded SEMAPA be

responsible for the payment of back-debts to the Bolivian Internal Revenue Service and to

the City of Cochabamba. In addition, Minister Mario Galindo threatened to make

Cochabamba residents pay US \$25 million in damages to Tunari representatives in international courts (Spronk & Webber, 2007: 21).

Immediately following the water war, Coordinadora leaders joined the interim board of directors and in April 2002, the first elections were held (Ochoa et al., 2009: 76). These elections were to encourage the participation of Cochabamba residents within SEMAPA by enabling them to elect local representatives and in the first election, residents elected a local pastor to be on the board. In addition, the Coordinadora created a support group with resident participation to determine how to restructure the management hierarchy to ensure greater public participation in SEMAPA (Ochoa et al., 2009: 76).

Despite these reforms, significant public participation within the SEMAPA management structure was not achieved (Ochoa et al., 2009: 76). According to Shultz, less than four percent of eligible voters went to the polls to elect the first board of directors. This occurred because it was difficult for the general Cochabamba population to understand the technical and financial functioning of the company, making it challenging for them to exert social control over its actions and functioning (Ochoa et al, 2009: 76). Importantly, the most significant barrier to the democratic reform of SEMAPA was the lack of local autonomy since the company was controlled by national and international regulations (Ochoa et al., 2009: 76).

Immediately following the water war, approximately forty percent of the population did not have consistent access to quality water sources and were required to rely on expensive and unsafe water sold by private companies (Perrault, 2006: 159). It was quickly realized that the problems of SEMAPA were not easily fixed with the

expulsion of Aguas del Tunari from Bolivia. Importantly, as a result of the company's poor credit ratings, efforts to expand the network were hindered because of the difficulty of receiving new loans (Spronk & Webber, 2007: 41).

Over time, local activists learned that expelling the company and reforming water legislation was a small step in truly obtaining social control over the municipal water utility in an environment in which politicians and international institutions favoured the interests of corporations over the health of local populations (Spronk & Webber, 2007: 41). There were a variety of opinions as to what caused the challenges faced by the movement to democratize SEMAPA such as: the mayor's control over the company's budget; the strict conditions placed on the loan from the IDB; a lack of finance; the lack of new water sources and, most importantly, the unresponsiveness of the company to the needs of residents of all classes, a characteristic of SEMAPA prior to the water war (Bakker, 2008: 239).

The Coordinadora aimed to democratize SEMAPA by exerting significant social pressure 'from below' and within management hierarchies. The SEMAPA board of directors previously included businessmen and municipal politicians. However, as of 2007, it included three locally elected leaders from different regions of Cochabamba (Spronk & Webber, 2007: 22). At the insistence of Olivera, the SEMAPA union was also granted a vote on the board. The inclusion of union leaders caused significant problems and led to accusations of corruption. Local activists believed that illegal activity took place with the explicit consent of SEMAPA workers higher up in the union hierarchy (Spronk & Webber, 2007: 22). There was a general relationship of mistrust between

union leadership and members of the Coordinadora making it challenging to protect workers' interests in negotiations and to restructure the municipal water utility (Spronk & Webber, 2007: 23). Traditional mistrust of government advancing the interests of elites also hindered the democratic gains made by the victory during the water war (Bakker, 2008: 239).

Impacts on national and global policy

The water war was considered an inspiration to other movements protesting the privatization of water in a variety of areas, for example in Atlanta (Georgia), India and Uruguay (Shultz, 2009: 28). According to influential Indian activist Vandana Shiva, the Bolivian water war "provides a political education for every community struggling to reclaim their common and public spaces in this age of corporate globalization" (Shultz, 2009: 28). The water war victory also impacted global policy making. Following the expulsion of Aguas del Tunari, institutions such as the World Bank found themselves having to defend their policies of privatization. In 2000, World Bank President James Wolfensohn was directly questioned about the movement by journalists in Washington DC. He claimed that developing countries must apply "a proper system of charging" to ensure that poor populations did not waste water (Shultz, 2009: 28).

The victory in the water war also had great influence on Bolivian politics. For approximately two decades, Bolivian politics were dominated by principles found in the Washington Consensus enforced by the World Bank and the IMF and supported by many Bolivian presidents (Shultz, 2009: 28). While in the past, Bolivian governments were

required to share power with the military, after April 2000, weak governments had to cooperate with social movements with increasing power and influence (Shultz, 2009: 29). The first explicit evidence of the movement's impact on Bolivian politics came in 2002 when social movement leader Evo Morales ran for president as the leader of the MAS (Movement Towards Socialism) party. Directly challenging the Washington Consensus was the most important part of his platform and voting for him became a symbol of solidarity for those involved in the Cochabamba water war movement (Shultz, 2009: 29).

Webber (2010: 51) investigates the substantial body of literature on the left-indigenous protest cycle that took place between 2000 and 2005 that challenged Bolivia's neoliberal hegemony and forced the resignation of two neoliberal presidents. Neoliberal president Gonzalo Sanchez de Lozada was forced to resign on October 17, 2003 and President Carlos Mesa on June 6, 2005 as a result of hundreds of thousands of protesters taking over the streets of the Bolivian capital city La Paz (Webber, 2010: 52). Following the collapse of the Mesa government, elections were pushed forward to December 2005, in which the first indigenous president Evo Morales was elected under the Movement Towards Socialism (MAS) party (Webber, 2010: 52).

In 2003, a plan by President Gonzalo Sanchez de Lozada to export Bolivian natural gas through Chile to the United States resulted in widespread public protests and mobilizations (Shultz, 2009: 29). Eventually these protests would force Sanchez de Lozada to resign and to set up national elections in December 2005, resulting in the election of Evo Morales as the country's first indigenous president. Instead of allowing the World Bank and the IMF to control the Bolivian economy, Morales based his policies

on the elimination of colonialism and on returning control over natural resources to Bolivian citizens (Shultz, 2009: 29).

According to Webber (2011: 4), the water war social movement put forward the idea for a radical and participatory Constituent Assembly with the goal of transforming Bolivian economic relations, political structures and government in the interests of the poor indigenous majority. This idea encompassed the direct participation of main social movement organizations in the execution of the assembly (Webber, 2011: 4). The assembly was hoped to bring together "a new type of political action born out of civil society as a means to discuss and to decide collective matters" (Olivera et al, 2004: 136).

Olivera (2004: 136) states that the assembly should have been understood as a great sovereign meeting of citizen representatives elected by their "neighbourhood organizations, their urban and rural associations, their unions, their communes." The assembly actually introduced in 2006 by the MAS government, however, ignored all revolutionary and participatory components of the previous vision. Instead, it was similar to the traditional structures of Congress as the MAS government attempted to appeal to the elites of the Santa Cruz region, making concessions regarding the rules governing the assembly's conduct and content (Webber, 2011: 4).

Increased attention on water issues

Prior to the water war, Bolivia did not have a single coherent body of law regulating water use. Instead, water use was governed by a variety of national laws covering other sectors such as mining, agriculture, industry and sewerage (Perreault, 2005: 275). In

September 1999, the Hugo Banzer government implemented Law 2029 (Ley de Agua Potable) regulating water use. The law was supported by the World Bank and created a national-level Superintendent of Water and enabled the privatization and concessions of urban water supplies (Perreault, 2005: 275). The law also failed to encourage public participation and did not acknowledge traditional indigenous and campesino (peasant) water rights. Following the Cochabamba water war, the government passed Law 2066 in April 2000 superseding Law 2029. Under this law, privatization remained a possibility, but was not explicitly encouraged (Perreault, 2005: 275).

Following the movement, new pressure was placed on the government to create a transparent and participatory model of water governance. Civil society network Mesa Tecnica del Agua created a transparent forum concerned with water management encompassing civil society, state and market actors (Boelens, Getches & Guevara-Gill, 2010: 288). Immediately following the movement, the IDB supported this idea as the primary source of funding for sewerage, drinking water and irrigation services (Boelens et al., 2010: 289). The IDB used the creation of this forum as a condition for continued funding for irrigation and sanitation. Resulting from this support, the government created the Inter-Institutional Water Council (CONIAG), a multi stakeholder forum, involving representatives from NGOs, government, civil society organizations, the private sector, the irrigators' movement and other social movements (Boelens et al., 2010: 289).

For three days in July 2001, approximately one hundred representatives of smallholder irrigator associations met in the Bolivian city of Oruru (Perreault, 2005: 277). These irrigators were assisted by a variety of Bolivian intellectuals and non-governmental

organizations that received funding from international actors. These local and regional meetings of irrigator and campesino organizations focused on the politics of water management and brought attention to campesino and irrigator rights (Perreault, 2005: 277). Irrigators felt that their lives were threatened by the privatization of water and other natural resources. During this meeting, irrigators and civil society allies sought to form a national level organization to protect themselves from these threats. The discussions were based on the contradictions of Bolivian water law and on the fact that peasant irrigators had no legal basis in which to claim their rights (Perreault, 2005: 277).

In the Oruru meeting, irrigators expressed distrust of the government's national Superintendent of Water and verbalized a need for traditional forms of water management (Perreault, 2005: 277). To achieve this model, irrigators knew they had to organize nationally for the first time. To replace the National Superintendent of Water, the irrigators proposed the creation of the Servicio Nacional de Aguas (National Water Service) encompassing state, civil society and irrigator representatives. The purpose was to coordinate water management and to resolve water-use conflicts between diverse sectors (Perreault, 2005: 277).

In December 2002, the irrigators met again in Cochabamba and proposed the creation of the Comité Nacional de Regantes (National Irrigators' Committee) to include two representatives from each sector in which irrigation was prominent (Perreault, 2005: 277). These two national level organizations would, in theory, protect the customary uses of peasant irrigators from other sectorial interests. These efforts represented the first time

irrigators organized beyond the departmental level and symbolized an important struggle against the expansion of capitalist interests in Bolivia (Perreault, 2005: 277).

In November 2003, irrigators hosted the First National Irrigators' Congress in Cochabamba. This was a major three-day event that brought together irrigators from across Bolivia (Perreault, 2005: 278). The first two days were comprised of debating proposals of previous meetings and developing the organization's bylaws and structure. Once the irrigators reached consensus, they marched through the centre of Cochabamba and to the campus of the University of San Simon, one of the country's biggest and oldest public institutions (Perreault, 2005: 277). Marchers filed into the university gymnasium, in which organizers, family members and supporters listened to speeches from government officials and movement leaders. The purpose of this gathering was to officially inaugurate the organization named the Asociacion Nacional de Regantes y de Sistemas Comunitarias de Agua Potable (National Association of Irrigators and of Community Drinking Water Systems) (Perreault, 2005: 277).

The inclusion of community drinking water systems in the title was significant because it signaled the movement's attempts to challenge the government's regulation of community water systems (Perreault, 2005: 278). In contrast, irrigators argued for more holistic and community-based forms of water management. While irrigation was the central concern for the organization, the focus was expanded to include diverse community-based drinking water systems. Following the inaugural congress, the irrigators finalized the organizations bylaws and statutes and with the help of representatives from two Bolivian NGOs, received legal status (Perreault, 2005: 278).

A central concern of the irrigators was the protection of their customary practices, or usos y costumbres. This concept provided a legal basis for water rights and was also a vital symbol for traditional, place-specific and culturally unique resource-use practices (Perreault, 2005: 278). Therefore, this concept was repeatedly emphasized in meetings, speeches and documents as necessary for protecting the water rights of peasant irrigators. This concept also illustrated how civil society actors attempted to restructure state arrangements and to challenge state institutions responsible for managing water rights (Perreault, 2005: 278). Rather than conforming to market logic, irrigators demanded a right to water based on their citizenship status and their cultural values and practices (Perreault, 2005: 278).

Through their mobilizations, irrigators resisted the commodification of water management in favour of a form of decentralized management based on community participation and local cultural practices (Perreault, 2005: 279). Irrigators and supporters formed multi-level networks through organizing at the national level for the first time to claim their water rights. These networks were meant to challenge the power of domestic and transnational capital by developing new global and local relationships (Perreault, 2005: 279). According to Perreault (2005: 281), although the irrigators were successful in forming a legally recognized national organization, their interests were frequently challenged by domestic and international elites determined to privatize Bolivia's natural resources and to advance neoliberal governance (Perreault, 2005: 281).

Inspiration for other movements

The water war social movement served as inspiration for other anti-privatization movements in Bolivia concerning water and natural gas, and in other Latin American countries. A similar anti-privatization movement emerged in Huancayo, Peru five years after the water war (Spronk, 2009: 169) In March 2005, a movement made up of a water workers' union, market worker associations, and irrigation farmers opposed the privatization of the local water utility, SEDAM-Huancayo (Spronk, 2009: 169). The movement was eventually successful on March 30, 2005 with a citywide strike of more than 15,000 people pressuring the government to reverse its plans for privatization. The public sector trade union, the Single Union of Potable Workers of Huancayo, played a crucial role in the movement by actively seeking to sustain diverse coalitions (Spronk, 2009: 169).

Three and a half years after the water war, Bolivia experienced another powerful anti-privatization movement protesting the plan to allow the export of natural gas through a Chilean port and to privatize the hydrocarbon sector. According to Perreault (2008: 247), Bolivia's gas wars must be understood from an historical perspective of Bolivia's colonial past and present, resource exploitation, social exclusion and extreme poverty (Perreault, 2008: 247). In mid-September 2003, the newly formed Coordinadora Nacional por la Defensa del Gas began to cooperate with other social movements to pressure the government to reverse its plans (Perreault, 2008: 248).

At the heart of the gas wars was an acknowledgement of the inequalities in Bolivia's past and present that allowed foreign companies to export what was considered

national property (Perreault, 2008: 249). On October 12, 2003, after the military killed more than twenty people in El Alto, the demands of protesters shifted drastically (Perreault, 2008: 250). Instead of demanding the government alter its plans to export gas through Chile, protesters instead called for the complete nationalization of national gas reserves, therefore strengthening state regulation and weakening foreign influence in the sector (Perreault, 2008: 250).

For some, the gas wars of September-October 2003 represented rising indigenous radicalism and the exposure of the unequal and racist nature of the Bolivian state (Spronk & Webber, 2007: 35). According to Spronk and Webber (2007: 38), the popular struggles against accumulation by dispossession of natural gas contributed to the rise of a protest movement with a macro focus. In October 2003, 500,000 protesters gathered in the capital city with nation-wide solidarity mobilizations that eventually led to the ousting of neoliberal President Sanchez de Lozada (Spronk & Webber, 2007: 35). The second gas war in 2005 resulted in a similar experience and led to the resignation of President Carlos Mesa (Spronk & Webber, 2007: 38).

According to the authors, both gas war movements represented serious challenges to the neoliberal ideology (Spronk & Webber, 2007: 38). The October 2003 gas wars generated a violent state response, leading to Mesa's verbal attacks against social movements challenging government policies and decisions and to the mobilization of right-wing forces in Santa Cruz. These movements show that when leaders organize around a natural resource that is economically significant, the struggle becomes political, ideological and nationalist (Spronk & Webber, 2007: 38).

The Cochabamba water war started a wider process of mobilization against neoliberal forces and the privatization of natural resources in the country (Spronk, 2007:19). The movement also encouraged the next conflict over the privatization of a municipal water system in El Alto in January 2005. In 1997, French company Aguas del Illimani was granted power to control the local water supply (Spronk, 2007: 18). The organization the Federation of Neighborhood Organizations of El Alto (FEJUVE), created by community residents encompassing more than 500 grassroots organizations, was at the head of the struggle protesting the privatization (Spronk, 2007: 19).

Traditionally, most demands of FEJUVE were based on improving basic services such as education, healthcare and water (Spronk, 2007: 19). Following the October 2003 gas wars, however, FEJUVE expanded its demands and began working on local issues and national demands such as a call for a Consistent Assembly and the nationalization of natural resources (Spronk, 2007: 19). These demands resulted directly from the new public consciousness that the Cochabamba water war helped to construct. The struggle against Aguas del Illimani in El Alto began to be framed in terms of protecting the economic sovereignty and independence of the country. The contract awarded to the company focused solely on the most profitable areas and ignored the consumers who were most in need (Spronk, 2007: 19).

FEJUVE began negotiating with the government in mid-2004 to reverse the privatization contract in El Alto. After approximately six months of negotiations, FEJUVE called a general strike on January 9, 2005 in which thousands of residents took to the streets yelling slogans such as, 'El Alto on its feet, never on its knees' (Spronk,

2007: 20). On January 11, 2005, residents of the El Alto regions Ballivian and Alto Lima, two areas neglected by the new contract, took over several company facilities, including a water tank (Spronk, 2007: 20). On the same day, the Mesa government issued a decree immediately canceling the privatization contract and on the following day the government formalized its decision and the movement successfully reversed the contract. Following consultations with neighbourhood councils, FEJUVE ended the strike but warned the government it would continue to protest over the prices of electricity and fuel (Spronk, 2007: 20).

Shortly after the water war, a variety of anti-privatization movements emerged throughout Latin America. In Argentina, for example, a privatization contract with French company Vivendi was cancelled because of the company's weak performance (Dangl, 2007: 69). In addition, shortly after the movement, the Confederation of Indigenous Nationalities of Ecuador (CONAIE) created its own water reform proposal that focused on the social, cultural and ecological proponents of consistent and quality water access (Dangl, 2007: 69). Despite the 2008 constitutional amendment prohibiting the privatization of water, in practice it has not been followed. Currently in the city of Guayaquil, municipal water services are controlled by a subsidiary of Bechtel, Interagua. Additionally, access to water for irrigation is concentrated with the large land owners who have access to sixty-four percent of the available water (Harris et al, 2013: 12).

Other organizations from a variety of countries have connected themselves to the Cochabamba water war (Dangl, 2007: 70). For example, a Uruguayan group held a 2004 referendum against the privatization of water, supported by Olivera who traveled to the

country numerous times prior to the referendum. The water war inspired the movement in Uruguay where activists created a new national Coordinadora. The Uruguayan referendum was supported by the National Commission in Defense of Water and Life (CNDAV), a coalition of civil society organizations in the country (Dangl, 2007: 70).

The coalition began action in the country in 2002 when the national government and the IMF planned to privatize water in Uruguay (Dangl, 2007: 70). Under the deal, the cost of water was expected to increase significantly, therefore excluding the majority of the Uruguayan population from access. In October 2003, CNDAV presented 283,000 signatures to parliament, guaranteeing a referendum to be held the following year regarding the privatization of water in the country (Dangl, 2007: 70). In October 2004, 1,440,000 Uruguayans voted to support the constitutional amendment that made access to water a human right and that required civil society, consumers and citizen groups to participate in all aspects of water management (Dangl, 2007: 70).

The campaign for constitutional reform in Uruguay was considered successful in narrow terms (Spronk and Terhorst, 2012: 149). Currently, under the constitution, water resources and services are required to be governed by a publicly controlled utility that must ensure the participation of all citizens and workers. As a result, the Uruguayan government created the National Directorate for Water and Sanitation Services (DINASA) and its Advisory for Water and Sanitation (COASA) in 2007. These institutions, however, are not as far reaching as expected by social movements and politicians. These reforms are considered to be a state-centric perspective of development

and are criticized for their lack of radical change and their exclusion of CNDAV (Spronk and Terhorst, 2012:149).

In addition to inspiring social movements in Bolivia, the Cochabamba water war inspired activists around the world fighting against corporate exploitation by showing what was possible through widespread popular protest (Dangl, 2007: 70). The conflict symbolized an example of the failure of corporate globalization that pitted large corporations against local communities. Instead of solely aiming to improve the municipal water system, the rebellion fought against government forces and the expansion of neoliberal policies and continued to inspire social movements in the country and globally (Dangl, 2007: 70).

Restructuring of labour unions

The Cochabamba water war led to the restructuring of union leadership and labour relations in Cochabamba and Bolivia (Spronk, 2009: 168). Early in the transition after the water war, tensions between the Coordinadora and SEMAPA workers emerged. Following the apparent success of the movement, the Coordinadora introduced radical proposals aimed at establishing a decentralized public utility supported by community and social control through public participation. The union blocked these proposals, instead supporting the proposal of the Mayor, which reduced community participation (Spronk, 2009: 168). While many Coordinadora activists continued to support the role of workers in the reorganization of the public utility, according to Spronk (2009: 168), workers seemed less willing to support suggested changes.

By mid-2005, the Coordinadora began to see the SEMAPA union as a barrier to implementing real social control of the public utility (Spronk, 2009: 168). Union leadership was accused of running a system of clandestine connections that cost the company approximately \$100,000 per month. Since 2002, relationships between the Coordinadora and insurgents within union membership were maintained through banderas. These individuals were young activists with a close relationship with the Coordinadora who were hired by SEMAPA shortly after the water war. The work of these activists generated an insurgent force within the SEMAPA union that was able to overthrow the corrupt, mafia-style leadership that ran the company for more than twenty years (Spronk, 2009: 168).

As a result of the organizing work of banderas, the head of the union "mafia" was fired in October 2005 for organizing an illegal strike to protest the firing of a corrupt general manager within the company (Spronk, 2009: 169). For the first time in twenty-five years, elections were held to replace him using secret ballots. Union members also had a choice between two platforms of candidates, and over seventy percent of union membership voted for the new leadership. While it was unclear whether this signified a new direction for the SEMAPA union, at the time it was considered an important step towards union democracy (Spronk, 2009: 169). While Olivera emphasized the central role of manufacturing workers during the movement in generating relationships between urban consumer and indigenous rights organizations, he did not detail the role of workers within the water union (Spronk, 2009: 166). This is because public sector unions were

often more vulnerable to unequal relationships with corporate actors, resulting in a general trade union decline (Spronk, 2009: 166).

Public sector unions in Peru formed strong coalitions with community organizations to prevent the privatization of public services, which has not occurred in Bolivia (Spronk, 2009: 171). In Bolivia, water sector unions were isolated from each other since the sector was decentralized thirty years ago. Municipal water companies were created by decree in the 1960s and 1970s, when authoritarian regimes transferred control of the companies to new regional offices within the central government (Spronk, 2009: 171). As a result, there was no national labour federation for water workers in the country and SEMAPA workers were represented by the Union Confederation of Light, Electricity, Telecommunications, Water and Gas Workers of Bolivia. Members of the confederation were not vocal about privatization and, as a result, there was a lack of support for generating creative and widespread organizing efforts (Spronk, 2009: 172).

Conclusion

In conclusion, at the local level the Coordinadora failed to radically democratize SEMAPA and to drastically restructure labour unions and it did not achieve its goals of increasing efficiency of and expanding access to the water utility. Despite its broad goals, the majority of residents did not have consistent access to the utility and the quality of the water did not improve immediately following the water war. However, at the national level, the water war started a protest cycle that drastically transformed the Bolivian political landscape, leading to the election of a socialist and indigenous president. In

addition, the water war victory served as inspiration for diverse anti-privatization movements in Bolivia, Latin America and globally. Significantly, the victory in Cochabamba pressured the Bolivian government to create transparent and participatory models of water governance.

Based on the sentiments expressed by movement leaders and participants, the water war victory represented an anti-neoliberal and anti-imperialist social movement protesting the privatization of the Cochabamba municipal water system. Because of the movement's strong social base and broad support, the indigenous population was believed to have won a victory over the neoliberal government, the ruling class, the IMF and the World Bank, and the water corporation owned by the American company Bechtel.

The water war victory continued to inspire national anti-privatization movements, in addition to movements in Argentina, Uruguay, and Peru. In addition to inspiring other movements in Bolivia, the water war victory exposed the failures of corporate globalization by showing what was possible through widespread protest. This movement was unique because it protested the privatization of a resource necessary for human life and environmental and community sustainability. The efforts of the government to prioritize corporate profit over the health, wellbeing and survival of their citizens symbolized an extreme application of neoliberal policies and served to mobilize diverse populations in a fight against neoliberal and imperialist hegemony. Most significantly, the actions of leaders and participants in the movement re-awakened a political consciousness based on anti-imperialist and anti-neoliberal ideas that were focused on challenging

transnational forms of power in the country, and on questioning the political intentions of the national government (Webber, 2009a: 183).

Kohl (2006: 306) effectively argues that to successfully challenge the hegemony of neoliberalism, social movements must acknowledge the transnational character of the policies. According to Moises Arce and Roberta Rice (2009: 92), the social movement cycle beginning with the 2000 water war and ending in 2005 targeted Bolivia's economic policies and its exclusionary political systems. However, the uprising also challenged the social consequences of neoliberal hegemony and the control of important sectors of the economy by transnational corporations. The 2003 protest movement that resulted in the resignation of President de Lozada questioned the effectiveness of liberal democracy, free markets and of a state that was unrepresentative to the needs of a culturally diverse population. The 2003 gas wars posed a significant challenge to neoliberal hegemony because it effectively combined national and global perspectives to fulfill its goals.

Kohl's argument illustrates how social movements targeting neoliberal policies must have a transnational mindset and not be focused solely on national factors. By focusing solely on government policies, movement leaders in Latin America would ignore the larger global system that perpetuates neoliberal hegemony. Movements must be transnational in nature and challenge the dominance of IFIs and must work to diminish the international mobility of capital. Examples of these movements are considered transnational advocacy networks, or globally linked collectives of social movements. These movements include international actors such as government officials, international charities, human rights organizations and environmental groups. These networks are

established to generate significant pressure on national and international political networks that can translate domestic demands to a global audience.

Chapter 5

Dynamics of the Cochabamba Water War

This chapter examines the dynamics of the Cochabamba water war social movement that succeeded in ejecting Aguas del Tunari from Bolivia and in reversing the privatization of the Cochabamba municipal water system, SEMAPA (Olivera et al, 2004: 8). It briefly examines the role of the World Bank in pushing forward the privatization of SEMAPA and the response of diverse social and political institutions.

The chapter examines the origins and dynamics of the water war struggle and investigates how Oscar Olivera became the leader of this diverse social movement (Shultz, 2009: 17). It outlines the most important social and political actors involved in the struggle, the Coordinadora, Federación Departamental Cochabambina de Organizaciones de Regantes (FEDECOR - Departmental Cochabamba Federation of Irrigators Organizations) and the Departamental de Trabajadores Fabriles de Cochabamba (Fabriles – Cochabamba Federation of Factory Workers) (Dangl, 2007: 62). The chapter then investigates how various levels of participation were embedded within the Coordinadora structure (Olivera et al, 2004: 37). It goes on to describe the diverse actions of the Coordinadora and how it mobilized a variety of populations (Olivera et al, 2004, p. 55). Following this, the protest methods encouraged by the Coordinadora are investigated, such as blockades, and public mobilizations (Olivera et al, 2004: 41). The chapter finishes with an analysis of the significance of the Coordinadora's actions and ideologies and a

conclusion discussing what lessons can be drawn from the movement's methods and outcomes (Shultz, 2009: 9).

The Neoliberal Agenda and the World Bank

The World Bank was the driving force behind water privatization in Bolivia. In 1999, a contract transferred control of the Cochabamba municipal water system, Servicio Municipal de Agua Potable de Cochabamba (SEMAPA) to a transnational corporation, Aguas del Tunari (Spronk and Webber, 2007: 39). The anti-privatization movement that followed in Cochabamba succeeded in ejecting Aguas del Tunari from Bolivia (Olivera et al, 2004: 8). Following the World Bank recommendation that dam construction must not be funded by the public sector, the most stable source was considered to be the individual users. To pay for the dam construction project, the company increased water fees, triggering the Cochabamba water war of 2000 (Spronk and Webber, 2007: 39). Although the water war was primarily a regional struggle, it quickly gained national importance. The Bolivian government was forced to cancel its contract with Aguas del Tunari, to return the water system to public control and to cancel legislation that enabled its privatization (Perreault, 2006: 165).

Origins of the Struggle

The Cochabamba water war began in the rural countryside over conflicts concerning rock and cement irrigation canals that farmers used to bring water to the crops (Shultz, 2009: 16). Under the privatization contract, the Bolivian government approved a water law that

put the trenches under its control, allowing the government to transfer ownership of water to Aguas del Tunari, owned in large part by Bechtel, forcing residents in the countryside to protest against this plan (Shultz, 2009: 16). In November 1999, the Federation of Irrigators staged a one-day blockade on the highways leading in and out of the city.

According to irrigation union leader Omar Fernandez, the purpose of this blockade was to test the capacity of the people to protest against the privatization plan (Shultz, 2009: 16).

Shortly after, the irrigators visited Oscar Olivera and in his office, farmers, factory workers, environmentalists and others discussed the governments' plan to transfer control of the water system to Bechtel and the possible implications of this action (Shultz, 2009: 17). At this meeting, they decided to launch a city-wide rebellion against this plan and formed an alliance, the Coordinadora, to do so. The Coordinadora was understood as a response to what they believed was a total failure of local institutions to protect the wellbeing of community residents. Cochabamba's mayor at the time, Manfred Reyes, for example, signed the agreement that authorized the transfer of control over the municipal water utility to Bechtel (Shultz, 2009: 17).

Important Actors – the Coordinadora and the Fabriles

The Coordinadora was the most important actor during the Cochabamba water war. It was founded in December 1999 by various social movements and organizations, including Federación Departamental Cochabambina de Organizaciones de Regante (FEDECOR) and the local trade union Federación Departamental de Trabajadores Fabriles de Cochabamba (Fabriles) (Ochoa et al, 2002: 70). The mobilizations and protests in

Cochabamba were organized horizontally and encompassed diverse populations, such as coca farmers and irrigators in rural areas who organized highway blockades pressuring the government to listen to the demands of the Coordinadora (Dangl, 2007: 62).

According to Olivera (2004: 25), the organization of the water war began five years prior to the first protests and when efforts first began, water was not considered a prominent issue in Bolivian society. The Coordinadora began with an effort to rebuild the social network of solidarity that was destroyed by neoliberalism. Several leaders in the Fabriles started a project to address issues facing contemporary unions through engaging with small and large unionized workplaces (Olivera et al, 2004: 25). The purpose of this project was to learn of the situations experienced by workers who were predominately neglected during mainstream union organizing efforts. This project resulted in the development of various citizens' proposals in which leaders disseminated labour market information at street markets and through mainstream media (Olivera et al, 2004: 25).

These projects made it possible for mainly unorganized workers to connect with the Fabriles and to benefit from its activism efforts. Through these efforts, the union discovered that there was a portion of the workplace in which individuals had no basic rights to decent hours, wages or job security (Olivera et al, 2004: 25). Through projects to educate themselves and the public about unorganized workplaces, the Fabriles became a central institution for workers in which individuals could see solutions to their problems. As years passed, the Fabriles became known for its efforts to understand the macro-level issues that impacted workers in the region (Olivera et al, 2004: 26).

During the last few months of 1999, the Fabriles cooperated with an organization called Pueblo en Marcha (People on the Move) in which professionals, economists, and elected officials met every Tuesday in the main Cochabamba plaza to increase attention on important societal issues (Olivera et al, 2004: 27). Pueblo en Marcha had various innovative forms of protest. For example, leaders constructed boards with names of politicians and how they voted on a specific issue, and decided which individuals were corrupt and which were not. Many members also belonged to the Committee in Defense of Water and the Family Economy (Olivera et al, 2004: 27). On November 4 and 5, a group of irrigation farmers organized a strong road blockade to protest a new water law perceived to be harmful to irrigator rights. The group called a meeting on November 12, 1999 in which the Coordinadora was formed (Olivera et al, 2004: 27).

At the time, the Fabriles had an adequate infrastructure including meeting rooms, Internet connection, phones and informal meeting areas and it was proposed that the Coordinadora should be based out of the Fabriles office (Olivera et al, 2004: 28). The Fabriles began to sponsor informational meetings and became more involved in the municipal water struggle despite not having a strong understanding of the issues. During a large public meeting at the Fabriles office, members of Pueblo en Marcha explained the water struggle in great detail and outlined how the proposed law would adversely impact local water systems. Following this meeting, leaders of the Fabriles became strong supporters of the water struggle (Olivera et al, 2004: 28).

Irrigation farmers and associations from the lower, central and upper valleys of the Cochabamba state were brought together through the Fabriles. These farmers were well organized and solidly opposed to Law 2029 (Olivera et al, 2004: 54). Another important social group within the movement was the professional class. They had fewer members involved, but were able to influence public opinion regarding the water privatization contract (Olivera et al, 2004: 54). The Fabriles' ability to coordinate popular discontent through its disapproval of the poor working conditions experienced by unionized, non-unionized and flexible workers resulted in cooperation between the professional and irrigator sectors (Olivera et al, 2004: 54). During the end of 1999, a campaign sponsored by various professional schools broadcasted the inconsistencies within the Aguas del Tunari contract. The campaign also debated how best to regulate water distribution, and how to consume water as a crucial element of life. The Coordinadora's concerns of mobilizing against the oppression of Law 2029 emerged through this campaign (Olivera et al, 2004: 54).

The Coordinadora did not have connections to a specific ideology or political party, was not legally recognized and functioned through open and public assemblies (Ochoa et al, 2002: 71). The Coordinadora organized peasants, teachers, businessmen, water cooperatives, indigenous peoples, environmental groups, community organizations and manufacturing workers under a common goal of fighting against neoliberal policies, protesting the extreme price hikes for water, and regaining control of the municipal water system (Olivera et al, 2004: 56-57).

During the water war, the Coordinadora mobilized diverse populations, became the conscience of the people, monitored and questioned business and government actions, and fought for the demands of the broader population (Olivera et al, 2004: 28-29). The

Coordinadora supported direct political participation through a continuing process of collective decision-making, instead of solely voting in elections every four years (Olivera et al, 2004: 28-29). Similarly to the horizontal decision-making structure of the Coordinadora, all populations had an equal opportunity to contribute to the decision-making processes. While peasants, labour leaders and middle class citizens had different needs and working and living conditions, they had similar goals of challenging the actions of the Bolivian government, the extreme price hikes, and the imposition of neoliberalism (Olivera et al, 2004: 28-29).

The Structure of the Coordinadora

Various levels of participation were incorporated into assemblies or popular meetings. Assemblies were a space for communal participation in which workers were organized according to sector, for example into groups of irrigation farmers, factory workers or businessmen. This method allowed all participants to not only verbalize complaints about the price increases, but to debate ideas and solutions to common problems (Olivera et al, 2004: 37). These assemblies were considered political spaces in which similar groups could discuss issues and attempt to reach a consensus concerning solutions to their challenges (Olivera et al, 2004: 38).

The next level of social participation consisted of the Coordinadora assemblies in which each small assembly sent representatives to present ideas and propose solutions (Olivera et al, 2004: 38). Representatives were informal but were required to accurately represent the needs of the collective group. Individuals from a variety of sectors, such as

environmentalist groups or teachers, attended the assemblies and those who did not fit into a particular sector attended these second-level assemblies to voice their challenges (Olivera et al, 2004, p. 38). Significantly, these assemblies were where political and strategic analysis occurred and the decisions made during this process were taken to the cabildos, or town meetings, held in public plazas with approximately fifty to seventy thousand people (Olivera et al, 2004: 38). At this level of participation, although representatives addressed large crowds, democratic participation and discussion was emphasized. The crowd responded to different proposals by expressing different sentiments, either through disapproval or applause (Olivera et al, 2004: 38).

The Coordinadora used this style of assembly to discuss how to break the conflict with the government (Olivera et al, 2004: 38). Coordinadora leaders presented the idea of allowing the government twenty-four hours to rip up the Aguas del Tunari contract in front of the assembly. However, the crowd disagreed with this tactic and wanted a more immediate result through taking over the Aguas del Tunari offices in Cochabamba (Olivera et al, 2004: 38). Olivera (2004: 38) states that the people did take over the company offices, tearing down its signs and occupying the building. However, as a result of the social self-regulation within the group, there was no physical destruction of property.

Actions of the Coordinadora

The movement in Cochabamba contrasted greatly with previous movements that were organized around trade union forms of organization (Olivera et al, 2004: 55). These

movements were mobilized around rejecting specific political actions or demanding a specific law that would greater meet the populations' needs. From the beginning, the social movement in Cochabamba placed specific crucial questions on the agenda such as: how should collective issues be decided; how should an inclusive notion of the common good be collectively constructed; and most significantly, how can full autonomy from the state be encouraged through the Coordinadora's proposals to regulate water (Olivera et al, 2004: 55)? Significantly, the Coordinadora's emphasis on citizen autonomy questioned the monopoly that legally recognized political parties exercised over decision-making (Olivera et al, 2004: 55).

The Coordinadora also attempted to reform critical municipal organizations based on principles of direct political participation and democracy (Spronk and Webber, 2007: 41). In December 2002, for example, the Coordinadora proposed to disband the municipal water company and replace it with an organization owned and operated by its users based on democratic decision-making processes. The municipal government refused this proposal, claiming that the Coordinadora could not be recognized under Bolivian law (Spronk and Webber, 2007: 41). However, the government did enable SEMAPA to incorporate more communal 'social control' in the daily functioning of the company. As a result, in 2005, the board of directors that previously incorporated politicians and professionals encompassed three elected members from different areas of Cochabamba (Spronk and Webber, 2007: 41).

In addition, the Coordinadora mobilized diverse populations against committees that leaders perceived as harmful to the goals of the movement (Olivera et al, 2004: 29).

The Civic Committee, for example, consisted mostly of mayors and members of the local elite and played a crucial role in maintaining the Aguas del Tunari privatization contract. Despite the committee's continuous attempts to gain widespread media attention and influence, the Coordinadora refused to recognize the influence of the Civic Committee (Olivera et al, 2004: 29).

The Coordinadora also used more traditional forms of social protest to bring attention to the extreme price hikes such as occupying government offices, public marches and protests and road blockades. With the assistance of intellectuals, the Coordinadora also provided alternative background information about the regional and global fight against privatization and neoliberal globalization (Nilsson and Gustafsson, 2012: 102). The Coordinadora did not have a political affiliation and believed that dominant political institutions and ideologies did not provide Cochabamba citizens with basic needs. The Coordinadora also had an extraordinary ability to mobilize diverse populations and organizations that were impacted by the privatization of water (Nilsson and Gustafsson, 2012: 102).

Within the Coordinadora, assembly-style democracy and collective meetings were crucial, and starting in April 2000, citywide meetings with representatives required to accurately represent the views of the collective group were common (Olivera et al, 2004: 56-57). Following the protests of April 2000, the city was governed and controlled by its residents through the collective assemblies and meetings that were run by the Coordinadora (Bakker, 2008: 238). The Coordinadora experienced relative success

through its emphasis on being a public space for collective decision-making and informal learning (Olivera et al, 2004: 58).

The Coordinadora encouraged the direct political participation of all Cochabamba residents through reinforcing principles of communal and cooperative politics (Olivera et al, 2004: 56). The Coordinadora used this method during every stage of the movement, for example, during public rallies and the drafting of negotiation proposals. To enforce these principles, the Coordinadora empowered representatives or spokespeople instead of institutions, requiring them to accurately represent the needs of the collective group (Olivera et al, 2004: 56). The political activities of the Coordinadora included large meetings with tens of thousands of people and small meetings or assemblies with various representatives responsible for maintaining the organization (Olivera et al, 2004: 57).

The Coordinadora played a significant role in the organization of the protests and street blockades that ultimately led to the rejection of the Aguas del Tunari privatization contract (Dangl, 2007: 62). Blockades were organized through a complex local structure of decision-making. Representatives from different communities gathered to coordinate actions and would return home to discuss methods with neighbours (Dangl, 2007: 66). Community leaders also collected food donations, elected leaders democratically, and organized soup kitchens. In addition, as a gesture of solidarity, others brought food into the city centre for protest participants (Dangl, 2007: 67).

The Coordinadora initially represented peasant farmers, irrigators and local water communities (Olivera et al, 2004: 28). The water cooperatives included individuals who were not connected to the municipal water system, but had constructed personal wells.

The Coordinadora also included unionized workers who, because of their experiences with widespread labour struggles, were able to contribute crucial tactical protest methods (Olivera et al, 2004: 28). On December 1, 1999, Olivera and the Coordinadora called its first mobilization for rural and urban workers of Cochabamba by challenging government actions regarding water access and other public services (Olivera et al, 2004: 30). The purpose was to launch a campaign against a common problem that had previously divided residents and the turnout at this demonstration was larger than at any municipal election candidate rally (Olivera et al, 2004: 30). The protest transformed into an open town meeting in which the Coordinadora and the people decided to give the municipal government until January 11 to eliminate the Aguas del Tunari contract, to repeal harmful water legislation and to reduce service rates. The Coordinadora guaranteed that if these demands were not met, that there would be blockades along all regional highways and roads (Olivera et al, 2004: 30).

On January 13, 2000 the movement was able to force the government to agree to revise the contract and the water law (Olivera et al, 2004: 32). However, the government refused to negotiate rate hikes. As a result, the Coordinadora took the agreement to Cochabamba residents, who, through a general assembly, agreed they would refuse to pay the rate hikes (Olivera et al, 2004: 32). Instead of paying the bills, Cochabamba residents brought them to representatives of the Coordinadora who burned stacks of bills in the main public plaza, an action of great symbolic significance. The agreement gave the government three months to respond to important points for the Coordinadora. Cochabamba residents decided to plan a peaceful demonstration without road blockades

for February 4, 2000, which was violently suppressed by the government and police forces (Olivera et al, 2004: 32).

Following extreme violence, police repression, and the signing of a contract involving a freeze on rate hikes, the Coordiandora organized a popular referendum in March 2000 in which more than fifty thousand Cochabamba residents voted that Aguas del Tunari had to leave Bolivia and laws that enabled privatization of water had to be repealed. However, by the middle of March, it was clear to the Coordinadora that the government did not intend to concede on any of the movement's demands (Olivera et al, 2004: 36).

Members of Congress stated that they would consider revising Law 2029, but would not change it (Olivera et al, 2004: 36). As a result, the Coordinadora changed its tactics and, instead of requesting a revision of the contract, they decided that Aguas del Tunari must be ejected from Bolivia. Because of the participation of coca farmers in the Coordinadora, the government portrayed the Coordinadora as members of the drug trade and as a dangerous gang, therefore delegitimizing the struggle and its actions (Olivera et al, 2004: 36). Two months later, on April 4, the "Last Battle" was organized which consisted of eight days of blockades and thousands of protesters in the city centre. On the final eighth day, one hundred thousand people were mobilized and the movement succeeded in ejecting the company (Olivera et al, 2004: 36). In addition, as a result of the Coordinadora proposal, Law 2029 was drastically modified, allowing more protection against the privatization of public services. At the time, this victory was considered the

first victory against neoliberalism over the last fifteen years in Bolivia (Olivera et al, 2004: 36).

The Coordinadora established itself as an organization mobilizing ordinary working people who were predominately dispossessed and whose needs were ignored during political debates. It was considered a space to discuss common problems, to verbalize demands and to plan protests and mobilizations (Olivera et al, 2004: 58). In addition, the widespread participation of Cochabamba residents in the Coordinadora illustrates that working people had confidence in the organization's abilities to meet their needs and saw it as a tool of collective action and mobilization (Olivera et al, 2004: 59).

Protest tactics

Road blockades were not a new protest method in Bolivia and were used previous to the water war during mining union struggles (Shultz, 2009: 19). In Cochabamba, approximately once or twice a year, the transportation or electrical workers staged blockades in which buses and taxis would not run, bridges were closed and most schools and businesses were shut down (Shultz, 2009: 19). These blockades, however, were not considered to have political implications and were mainly treated as holidays from work or school. During these blockades, families spent time at home and children played soccer, as negotiators attempted to find a settlement (Shultz, 2009: 19). However, the first blockade of the Cochabamba water war had a different sentiment behind it. For three days, Cochabamba was shut down; the airport was closed; bus and other public

transportation services were suspended; and thousands of protesters took over the main plaza (Shultz, 2009: 20).

Movement participants had roles specific to their ages and physical capabilities. Cochabamba residents of all ages had their faces painted to represent the struggles they experienced and young people wore leather gloves to throw rocks into government and company buildings (Olivera et al, 2004: 41). In addition, protest participants wore gloves to string barbed wire on posts from one side of the street to the other and middle-aged women had buckets of water ready to pour over the gas canisters thrown by police officers. Importantly, Olivera (2004: 41) describes a significant level of trust among all movement participants. People lent money to others to buy supplies for the sake of the movement and its goals without worrying about physical or monetary gain (Olivera et al, 2004: 41). Movement participants also felt that they had a duty to protect each other, for example, Olivera was told to change clothing because there had been orders to assassinate him (Olivera et al, 2004: 41).

There was an instant and emotional response following the arrest of Coordinadora leaders on April 6, 2000. Young people who called themselves 'water warriors' travelled downtown to challenge President Hugo Banzer's soldiers and women traveled door to door to collect donations and food for those protesting in the city's main plaza (Shultz, 2003: 35). In February 2000, an unarmed seventeen-year-old boy, Victor Hugo Daza, was shot and instantly killed by a bullet through his face. Following this act of police repression, hundreds of people worldwide sent emails to the Bechtel CEO demanding that the company leave Cochabamba and Bolivia (Shultz, 2003: 36). As a result of the

continually increasing strength of the movement, Bechtel officials fled the country, the water privatization contract was cancelled, and a publicly controlled water company was installed (Shultz, 2003: 36). Just a few days after the victory, Olivera spoke at the April 2000 IMF and World Bank protests in Washington, emphasizing the harmfulness of forced privatization in connection to the Cochabamba example. The Cochabamba water war became an international symbol of resistance against the imposition of neoliberal globalization (Shultz, 2003: 36).

There were a variety of factors that enabled the movement to achieve its basic goals of reversing SEMAPA's privatization and ejecting Aguas del Tunari from Bolivia... First, negotiations were combined with effective representation and pressure on relevant actors (Bustamante, 2004: 42). Despite government hostility and efforts to delegitimize the organization, the Coordinadora remained the legitimate representative of the needs of Cochabamba residents. The Coordindadora also encouraged participation through negotiations with the government. However, when this tactic was unsuccessful, it shifted to public demonstrations to increase pressure on the government (Bustamante, 2004: 42). Also, the social organizations involved in the protests advanced technical arguments against the privatization of the water system, in contrast to the predominately ideological and political arguments enforced in previous social movements in Latin America (Bustamante, 2004: 42). The Coordinadora and other organizations also had a strong ability to construct alternative proposals. During the protests, not only were the main demands of protesters verbalized, but changes in demands were also developed to address the harmful nature of laws that enabled the privatization of water (Bustamante, 2004: 42). Strong alliances and partnerships were formed between urban and rural sectors of Cochabamba (Bustamante, 2004: 43). These alliances allowed the movement to grow in strength and greatly expanded the movement's demands of the government. Finally, direct democracy was a central factor in the success of the movement. All decisions were taken to open spaces in which the entire population was explicitly encouraged to participate (Bustamante, 2004: 43). These open meetings decided future steps and actions of the movement in a decisive and inclusive way, therefore encouraging direct political participation, for example, through the referendum put forward by the Coordinadora with participation from over 50,000 Cochabamba citizens (Bustamante, 2004: 43).

Significance of the Coordinadora

The Coordinadora, as a rural/urban and multiclass alliance, was understood to have overcome many challenges that conventional trade unions and 'old' social movements experienced. Current Bolivian Vice-President Alvaro Garcia Linera argues that the Coordinadora and similar organizations "do not create a border between members and nonmembers in the way that the unions used to" (Spronk, 2007: 9). According to this view, unions no longer represented the views of the general population and informal workers because of hierarchical leadership structures, closed-membership rules, and legal contracts. In contrast, the Coordinadora was a more effective structure to organize the working class because the only criterion for membership was participation in daily struggles and mobilizations (Spronk, 2009: 9).

Lessons learned

Through the water war struggles, Olivera explains that movement participants and leaders learned three distinct lessons. First, it was ordinary people that had cooperated to achieve real social justice (Olivera et al, 2004: 49). Second, he explains that all fear, isolation and selfishness of Cochabamba residents disappeared and was replaced by actions of solidarity and cooperation. During the worst confrontations, people handed out water and food, took over communications, or gave rides to protesters and leaders (Olivera et al, 2004: 49). Finally, Olivera (2004: 49) states that Cochabamba residents learned they wanted a participatory democracy, and that any other political system would not enable them to independently meet their needs. However, Cochabamba residents did not exert significant social control over the company's functioning because activists did not make enough of an effort to connect local populations to the technical aspects of running the water utility (Ochoa et al, 2009: 79). Cochabamba residents wanted a government that prioritized the needs and health of its own population over the goals of international financial institutions and neoliberal politicians (Olivera et al, 2004: 49).

Over time, the slogan "The Water is Ours" grew in importance as it began to symbolize the idea that decision-making should be a collective experience (Olivera et al, 2004: 55). The slogan also challenged what the movement perceived as irresponsible and arbitrary government actions that led to the privatization of the municipal water system and extreme price hikes for water services. Following the widespread use of this slogan, a new way of understanding and practicing politics developed that focused on cooperating

around common demands and undertaking decision-making based on wide-spread political participation (Olivera et al, 2004: 55).

Conclusion

In conclusion, the Coordinadora and other social movement organizations utilized diverse protest methods to fight for the demands of the broader population and to support direct political participation (Olivera et al, 2004: 28-29). The actions of the Coordinadora represented a direct challenge to the neoliberal policy of privatizing water because it created a space for communal participation that encouraged all residents to participate in political processes, thereby negating the influence and role of political and economic elites in the country (Olivera et al, 2004: 37-38). Most significantly, the actions of Olivera and the Coordinadora helped residents understand that the neoliberal system in Bolivia was more concerned with obtaining profit over the wellbeing of the people, and that residents wanted a participatory democratic system that would enable them to independently meet their needs (Olivera et al, 2004: 49).

Many lessons can be drawn from the experience of the Coordinadora (Nilsson and Gustafsson, 2012: 102). By deciding to not have an official political affiliation, Coordinadora activists acknowledged that social movement leaders may need to look beyond state control and apparatuses in order to fully achieve their goals (Nilsson and Gustafsson, 2012: 102). In the case of the water war, the Coordinadora did not connect itself to any political party because it believed that general political institutions failed to provide the basic needs of Cochabamba citizens. Movement leaders elsewhere can use

this tactic to attempt to find political alternatives to traditional state structures (Nilsson and Gustafsson, 2012: 102).

Olivera (2004: 28-29) emphasizes processes of collective and informal learning through the formation of the Coordinadora and the cooperation among all populations during national protests. This suggests that populations can learn from each other about the best methods to achieve their goals. Social movement organizers can also learn from the Coordinadora's mobilization of a variety of diverse populations (Olivera et al, 2004: 28). By mobilizing populations from so many classes and occupations, movement organizers can connect their goals and ideas to broader populations, therefore encouraging more support for their cause. The success of the movement was a combination of strong organizing efforts and the strong societal reaction to the privatization of water and the exorbitant price increases that followed. Without the Coordinadora, the diverse populations that reacted so strongly to the privatization would not have had a clear avenue to organize and to challenge the government policy of privatization (Olivera et al, 2004: 28). In addition, movement organizers can utilize the diverse experiences and ideas of their supporters. The Coordinadora, for example, mobilized unionized workers because of their experiences with widespread labour struggles and their knowledge of tactical protest methods (Olivera et al, 2004: 28).

In addition, social movement organizers can draw from the Coordinadora experience of encouraging direct political participation by utilizing principles of communal and cooperative politics (Olivera et al, 2004: 56). Protest methods that encourage direct political participation can result in more widespread support for the

goals of social movements by encouraging people of all classes to participate (Olivera et al, 2004: 56). By encouraging direct political participation, movement leaders can enable citizens to take ownership of their lives by participating in open meetings to decide the future steps and actions of the movement in a participatory way (Bustamante, 2004: 43).

The Coordinadora's ideas of direct political participation directly challenged Western notions of participatory democracy (Oliver et al, 2004: 28-29). Instead of participating in politics through elections every four years, leaders and participants in the water war protests wanted an ongoing process of collective decision-making including direct citizen participation, and were successful in establishing this system throughout the water war movement. However, the movement's momentum did not translate into direct political results in the immediate aftermath of the movement. This idea posed a threat to perceived Western dominance and superiority in the Latin American region and other parts of the world by showcasing a different method of coming to political decisions (Olivera et al, 2004: 28-29). In the model encouraged by the Coordinadora, all citizens took ownership over the political process and influenced the political functioning of the city (Bustamante, 2004: 43).

Chapter 6

Conclusion

Through a strong and diverse community coalition, the Coordinadora successfully reversed the privatization of SEMAPA and transferred control of the water system back to the public sector (Olivera et al, 2004: 8). This chapter examines how the diverse and multi-dimensional nature of the movement led to its successes in achieving its goals. Part 1 shows how movement organizers can expand their support base to achieve broader goals of societal transformation (Shultz, 2009: 9). It investigates how the actions of the Coordinadora represented a direct challenge to the neoliberal policy of privatizing water because it created a space for communal political participation that directly encouraged all Cochabamba residents to influence the political process. This neglected the influence and importance of political and economic elites that enforced and encouraged the neoliberal ideology on a global scale (Olivera et al, 2004: 49).

Part 2 examines the broader implications of the movement's immediate impacts and achievements in the following areas: local political impacts; impacts on national and global policy; increased focus on water issues; inspiration provided for other social movements; and the restructuring of labour unions related to the struggle over the privatization of water. It connects each of these categories to broader political and social transformation in Bolivia and determines whether the movement successfully challenged the neoliberal policy of privatizing water. Finally, the chapter connects the movement's achievements and shortcomings to anti-neoliberal social movements on a global scale and

discusses implications for the future of the movement in Bolivia and elsewhere in Latin America. The thesis concludes with an investigation of the current issues of water provision in Cochabamba focusing on the shortcomings of SEMAPA in providing quality and consistent water services.

How movement dynamics led to its success

In addition to its direct goals of reversing SEMAPA's privatization and ejecting Aguas del Tunari from Bolivia, the movement also attempted to rebuild the solidarity networks and relationships that were destroyed by the expansion of neoliberal policies and to propose political alternatives to the dominant practices of Western liberal democracy (Olivera et al, 2004: 25). Unlike traditional political parties, the Coordinadora was not connected to a specific ideology or political party, was not legally recognized and functioned through open and public assemblies (Ochoa et al, 2002: 71). The main purpose of the organization was to organize the broader Cochabamba population including teachers, community organizations, businessmen, water cooperatives, indigenous peoples, women, children, environmentalist groups and manufacturing workers with a common goal of challenging the neoliberal policy of privatizing water and transferring control of the municipal water system back to the public sector (Olivera et al, 2004: 56-57).

The structure of the Coordinadora encouraged participation by creating assemblies in which populations and workers were organized by occupation or category and participants were encouraged to directly participate in the political structure of the movement by debating ideas and problems to attempt to reach a consensus. This method

transferred political participation and influence away from political elites to local communities, thereby rejecting political and economic structures that favoured elite interests over the health and wellbeing of local communities (Olivera et al, 2004: 38).

At the next level of social participation, each assembly was required to pick a representative to present ideas and challenges to the larger group. The decisions made in this process were taken to larger assemblies that occurred in public spaces with approximately fifty to seventy thousand people (Olivera et al, 2004: 38). By expanding the process to a larger audience, movement organizers further legitimized local political participation and placed greater emphasis on the needs of local populations over the needs of economic and political elites in the country. Additionally, this process challenged narrow versions of democracy that involved voting for a president once every four years. Instead, movement organizers emphasized that political participation must be a continuous and evolving process in which all participants must be actively engaged and educated regarding the issues up for debate. During the movement, this process represented a challenge to Western ideals of democracy and to Western dominance and influence over the daily lives of Bolivian citizens (Olivera et al, 2004: 38).

During the water war, the Coordinadora became the voice of the general population by directly monitoring and questioning the actions and policies of business and government and by fighting for the needs of the general population. Movement leaders proposed a challenge to Western ideals of political participation in the country by encouraging a new political process in which all populations had an equal opportunity to influence decision-making. While each distinct population group had different goals and

needs, they were united by the collective goal of challenging the actions of the Bolivian government, the extreme price hikes, and the imposition of neoliberalism in the country (Olivera et al, 2004: 28-29).

The decision-making structure of the Coordinadora influenced how it organized protests and public mobilizations. Road blockades, for example, were organized through a complex hierarchy of local decision-making structures. Representatives from different communities would gather in public spaces to coordinate actions and returned to their specific communities to discuss and debate protest methods with neighbours and community members. Additionally, community leaders also collected food donations, elected leaders democratically and organized soup kitchens. Through a continuous emphasis on local dynamics and needs, the movement placed greater emphasis on the needs of the local population over those of IFIs and the Bolivian government (Dangl, 2007: 66-67).

Scholars argue that the Cochabamba water war was an example of an antiimperialist and anti-neoliberal social movement that protested the privatization of the
city's water commons and the price hikes that followed (Spronk and Webber, 2007: 32
and Webber, 2009a: 183). According to Webber (2009a: 183), the movement's
achievements of reversing SEMAPA's privatization and ejecting Aguas del Tunari from
Bolivia represented the country's first victory against the neoliberal ideology since 1985.
As a result of the movement's strong support across a wide range of populations and a
strong reaction to exorbitant price hikes, indigenous and working classes were understood
to have won a victory against the country's ruling class, the national government,

international financial institutions such as the IMF and the World Bank, and the transnational water corporation owned by American corporation Bechtel (Webber, 2009a: 183).

This movement was a different process than other anti-neoliberal social movements in Latin America because privatizing water was an extreme application of neoliberal policies. Unlike other natural resources or infrastructure systems, water is crucial to human and environmental survival and the idea of access to water as a basic human right was critical to the movement's success in reversing the privatization of SEMAPA (Webber, 2009a: 183). Leaders successfully generated a strong protest movement in rural and urban areas to protest the privatization of water, a resource necessary for human life, the price hikes, and more generally the imposition of neoliberal policies. It resulted in a struggle between a strong community coalition and government forces that resulted in the expulsion of the foreign water corporation from the country and the reversal of SEMAPA's privatization (Olivera et al, 2004: 28).

Impacts and achievements of the movement

This thesis shows that despite the movement ejecting Aguas del Tunari from Bolivia, the Coordinadora did not achieve its goal of radically democratizing the public utility to ensure greater levels of public participation within SEMAPA (Bakker, 2008: 239). The broad achievements of the movement did not translate into greater coverage under SEMAPA. In 2006, for example, less than half the Cochabamba population was connected to the SEMAPA system, and inefficiency, corruption among leadership, and a

lack of resources continually hindered the success of SEMAPA (Bakker, 2008: 239). The main reason for this was that under a variety of neoliberal Bolivian governments from 2000 to 2005, few financial resources were put into the newly nationalized water utility (Spronk & Webber, 2007: 21). At present, while the re-nationalized SEMAPA has more than tripled its service area since the water war victory, approximately forty percent of the city's residents, mostly in the hilly southern districts, still lack access to water and sanitation services. Additionally, those connected to the municipal water system experience inconsistent and low quality water services (Achtenberg, 2013).

Despite its insignificant impacts on the newly nationalized water utility, the water war movement had substantial affects on national and global policy. The water war victory led to institutions such as the World Bank having to defend its neoliberal policy of privatization (Shultz, 2009: 28). At the national level, however, the movement led to a shift in Bolivian political dynamics. After April 2000, for example, weak national governments were required to share political power with strong social movements as opposed to military actors (Shultz, 2009: 29).

The first explicit evidence of the movement's impacts on Bolivian politics came with the election of Evo Morales, an indigenous social movement leader, as president of Bolivia. The water war victory initiated a five-year protest cycle that involved the Bolivian population directly challenging the neoliberal policies of Bolivian governments. This general environment of challenging neoliberal hegemony gave momentum to Morales' presidential campaign in 2005. Morales based his platform on establishing a direct challenge to the neoliberal principles found within the Washington Consensus and

voting for him became a direct sign of solidarity for those involved in the Cochabamba struggle (Shultz, 2009: 29). Additionally, following the movement, new pressure was placed on the government to create a participatory model of water governance (Boelens, et al., 2010: 288). Following support from the IDB, the Bolivian government created the Inter-Institutional Water Council (CONIAG), a multi-stakeholder forum encompassing representatives from the private sector, NGOs, government, civil society, the irrigator movement and other social movements (Boelens et al., 2010: 289).

The water war social movement also served as inspiration for other antiprivatization social movements in Bolivia regarding water and natural gas, in Latin
America, and globally (Spronk, 2009: 169). Scholars argue that the gas wars of
September-October 2003 represented rising indigenous radicalism and the exposure of the
racist and unequal nature of Bolivian society (Spronk & Webber, 2007: 38). In October
2003, 500,000 protesters gathered in La Paz, Bolivia, in nation-wide solidarity
mobilizations leading to the ousting of neoliberal President Sanchez de Lozada (Spronk
and Webber, 2007: 35). The second gas war in 2005 resulted in a similar experience and
led to the resignation of President Carlos Mesa (Spronk and Webber, 2007: 38).

In addition to inspiring other movements in Bolivia, the water war inspired activists around the world fighting against corporate exploitation by showing what was made possible through widespread protest (Dangl, 2007: 70). The conflict symbolized the exploitation inherent in a model of corporate globalization that placed greater emphasis on the needs of corporations over the health of local populations. Rather than focusing solely on improving the municipal water system, the movement fought against

government forces and the neoliberal model, and continued to inspire social movements throughout the country (Dangl, 2007: 70).

In 2000, the Cochabamba water war social movement put forward the idea of a radical Constituent Assembly that was meant to transform Bolivian political relations, economic structures, and government in the interest of the poor indigenous majority (Webber, 2011: 4). While the movement put forward radical and anti-neoliberal political ideas, this momentum did not translate into concrete results (Webber, 2011: 4). Similarly to the lack of success in democratically reforming SEMAPA, the assembly that was actually introduced by the 2006 Morales government ignored all revolutionary and participatory aspects of the assembly as envisioned by the water war movement. In contrast, to appeal to the elites of the Santa Cruz region, the assembly that was actually introduced by the government was similar to the structure of the congress (Webber, 2011: 4).

Shortly after the Morales victory in 2005, the country held elections for delegates of the Constituent Assembly that was to re-write the Bolivian constitution (Postero, 2010: 65). The MAS delegates, many of whom were indigenous or from the popular sector, won fifty-two percent of the seats. As this did not give MAS the two-thirds majority required to approve articles of the constitution, the general society knew the process would be challenging and controversial (Postero, 2010: 65). In 2006, shortly after the inauguration of the assembly in Sucre, MAS delegates voted to change the rules of the debate. MAS delegates authorized an absolute majority to approve all amendments other than the final

text. This change was considered a power grab as the general population believed the MAS attempted to obtain unfair control over the process (Postero, 2010: 65).

For months, opposition held large protests and boycotted the assembly and in December 2006, newspapers estimated that approximately 1,200 people were on hunger strikes (Postero, 2010: 66). In February 2007, the government and right-wing political parties reached an agreement that each article of the new constitution was to be approved first by the commission in charge of it, second by the entire body, and finally would go to the public referendum for approval of the full text. However, the tensions within the assembly never diminished, and commissions assigned to issues such as land reform and indigenous rights experienced significant divisions within debates and discussions (Postero, 2010: 66).

The method by which the new constitution was passed contrasted greatly with the democratic ideals encouraged by the water war movement. Many Bolivian citizens expressed concern over the undemocratic way the assembly was run, the attempted power-grab by the government, and most significantly, the fact that the MAS allowed the constitution to be passed in Oruru (Postero, 2010: 67). The idea that Morales and his ruling party had the ability to barter and negotiate with different actors within the assembly seemed to contradict claims that direct political democracy was integrated within this process. Other Bolivian citizens voiced concerns and fears over the emergence of an authoritarian or populist form of government, which a banner at a protest in Santa Cruz verbalized, "Evo, Assassin of Democracy" (Postero, 2010: 67). The version of the assembly as introduced by Morales directly contradicted the wider vision of direct

political participation as encouraged by leaders of the Coordinadora. Therefore, it is clear that the movement did not succeed in its broader goal of deepening democracy in Bolivia (Postero, 2010: 67).

During the movement, the Coordinadora's ideas concerning direct political participation directly challenged Western notions of democracy (Olivera et al, 2004: 28-29). Movement leaders encouraged an ongoing process of collective and communal political decision-making that directly challenged notions of Western superiority and hegemony in the region. The participation model enforced by the movement challenged the neoliberal policy of privatizing water that was part of a larger ideology of neoliberal governance constructed and enforced by IFIs such as the World Bank and the IMF, by Western governments and by multi-national corporations (Olivera et al, 2004: 28-29). In the model proposed by movement leaders, all Cochabamba residents took ownership over the municipal political process and the daily functioning of the city (Olivera et al, 2004: 43).

Movement shortcomings

Despite the movement's strong theoretical foundations and challenges to the neoliberal policy of privatizing water and more broadly, capitalism and imperialism, it is clear that the movement had significant practical shortcomings. The most significant was its inability to drastically improve the strength and coverage of the municipal water system. As a result, the movement failed in one of its most basic goals of improving water provision in Cochabamba which was directly connected to the expulsion of Aguas del

Tunari from the country and the reversal of the privatization contract. Movement leaders did not consider how union and company dynamics could impact their efforts to drastically reform the company to improve water access and the quality of the water system (Bakker, 2008: 239).

While movement leaders had creative organizing strategies to bring together diverse populations to fight against the privatization of SEMAPA and the higher water prices, leaders did not have a clear plan in place following the reversal of the privatization contract. This illustrates how reversing privatization is only one step in establishing a successful public utility, and union and company dynamics must be considered when establishing reform attempts. Directly after the movement's victory, water was provided by SEMAPA for only a few hours a day in many parts of the city, and services did not improve for those who were already customers of the utility (Spronk & Webber, 2007: 21).

Most significantly, the movement's victory did not transform national and international regulations that restricted the local autonomy of SEMAPA. While having the specific goal of reversing SEMAPA's privatization enabled movement leaders to focus their efforts, it resulted in a neglect of the broader institutional structures that restricted the independent functioning and autonomy of SEMAPA. Movement leaders failed to acknowledge that the issues of SEMAPA were not solely restricted to local conditions found within the water company, but were connected to national, international, and global political and social institutions (Ochoa et al., 2009: 76). As a result, over time, movement activists acknowledged that expelling the transnational corporation, reversing

SEMAPA's privatization, and reforming water legislation was only a small step in establishing true social control over a municipal water company within a political and economic environment that favoured corporate needs over the health and wellbeing of local populations (Spronk and Webber, 2007: 41).

In addition, leaders of the Coordinadora considered the SEMAPA union as the main barrier to implementing real reform and processes of public participation within the public utility (Spronk, 2009: 168). Public sector unions in Bolivia failed to prevent the privatization of public services and there was no national federation for water workers (Spronk, 2009: 171). As a result, SEMAPA workers were represented in the Union Confederation of Light, Electricity, Telecommunications, Water and Gas Workers of Bolivia. Members of the federation were not vocal about issues of privatization, and as a result, there were few resources put into establishing creative organizing efforts with SEMAPA workers during the movement (Spronk, 2009: 172)

Conclusion

The thesis of this study is that the Coordinadora halted the neoliberal agenda to privatize water in Cochabamba, Bolivia through achieving its basic goals of reversing the privatization of SEMAPA and ejecting Aguas del Tunari from Bolivia. The movement challenged the neoliberal agenda of privatizing water through becoming a symbol for the international campaign for the human right to water, transforming the Bolivian political landscape, transferring more attention to communal water rights and inspiring other movements protesting the privatization of water (Spronk and Webber, 2007: 21; Shultz,

2008: 29; Boelens, Getches and Guevara-Gill, 2010: 288; Spronk, 2009:169, and Dangl, 2007: 70). The success of the movement to stop the privatization of water was contingent on leaders' abilities to organize broad and diverse populations through the use of open and public assemblies based on principles and practices of direct political participation and democracy (Olivera et al, 2004: 56-57). Despite the movement's successes, it did not achieve its broader goals of radically democratizing SEMAPA, of expanding water access, and of improving the quality of services under the SEMAPA system (Spronk and Webber, 2007: 41).

To protest the privatization of water in Cochabamba in 2000, movement leaders mobilized workers, peasants, children, the elderly, labour leaders, business people, community organizations, irrigator associations, water cooperatives and middle class citizens into one unified movement (Olivera et al, 2004: 34). To do so, Oscar Olivera formed the Coordinadora to enhance democratic decision-making by monitoring and challenging government and business actions, interpreting the demands of the general population and leading mass protests to challenge oppressive government policies (Olivera et al, 2004: 28-29).

This thesis illustrates how on an ideological level the movement successfully challenged the expansion of the neoliberal policy of privatizing water in Bolivia by introducing political processes and practices involving direct political participation and democracy. The movement's success in reversing SEMAPA's privatization and in utilizing diverse protest methods also encouraged Bolivian citizens to question political processes that were imposed by external forces, instead of blindly accepting national

political structures. This process was illustrated numerous times through diverse social movements protesting the privatization of hydrocarbons in the country, leading to the forced resignation of two neoliberal presidents in 2003 and 2005, and to the election of the country's first indigenous and socialist president, Evo Morales. However, while the movement had significant impacts on the political consciousness of Bolivians, it did not drastically reform SEMAPA based on principles of direct participation and democracy, it did not improve the quality of services and it did not expand access to water under the utility.

Recommendations for future research

Future research on the political and social significance of the Cochabamba water war could expand the study period to analyze how the victory influences the present political, social, economic and legal environment in Bolivia. This research could be completed through extensive field research in Cochabamba and other major Bolivian cities. This could involve interviews with social movement and labour leaders, NGOs, municipal government officials, and members of irrigator associations. These interviews would ascertain whether the water war victory significantly influenced the current political environment in the country and whether it represented a practical challenge to the neoliberal policy of privatization. Additionally, this research could be expanded through interviewing the main leaders of the social movement to understand their views and opinions on the national and global significance of the victory.

Postscript: Current issues of water provision in Cochabamba

Following the water war victory, the challenge of developing alternative models to water privatization continues to be prominent in Cochabamba (Achtenberg, 2013). In the past, even though the Morales government has been verbally opposed to the policies of IFIs, it has also actively encouraged multinational investment in extractive industries such as in the mining, oil, forestry and water sectors. Extractive industries negatively impact water usage and reduce access to the general Bolivian population. These industries require significant water usage and can impinge on the natural environments of indigenous communities in the Bolivian amazon region (Harris et al, 2013: 13).

While the re-nationalized SEMAPA has more than tripled its service area since the water war victory, approximately forty percent of the city's residents, mostly in the hilly southern districts, still lack access to water and sanitation services. Families who are outside SEMAPA's current service area are required to pay five to ten times higher than SEMAPA's customers to have water of inconsistent quality trucked into the rural communities. Even for families connected to the municipal system, water services are intermittent and water quality is inconsistent (Achtenberg, 2013).

Although the re-nationalized SEMAPA includes representatives elected by the community, problems of corruption, mismanagement and inefficiency continue to reduce the effectiveness of the organization. In 2010, for example, the company was forced to lay off one hundred and fifty workers to overcome a three million dollar deficit that was believed to be the result of payroll padding, thefts, and clandestine connections (Achtenberg, 2013). As a result of frustration with both public and private models of

water provision, residents in the southern zones have established participatory water systems with varying relationships with SEMAPA. These cooperatives, community councils, and elected water committees try to buy water in bulk from SEMAPA while obtaining control over distribution in the communities (Achtenberg, 2013).

Since approximately a decade following the water war victory, urban water supply in the city of Cochabamba has not improved substantially (Marston, 2014,: 72). The renationalized public utility, SEMAPA still fails to provide water to the peri-urban Southern area of the city, which is home to the city's poorest residents (Marston, 2014, p. 72). Since the 2000 water war, residents in the city's southern zone have publicly demonstrated to demand municipal water and sanitation services. Residents have come up with a variety of proposals to address the lack of access to safe drinking water for productive and domestic use (Bustamante, 2012: 90). Water vendors have become important in the southern zones, as they arrive in communities by truck with large water tanks to deliver water to the families. However, it is difficult for water trucks to access the poorest neighbourhoods because of a lack of paved roads, and poorer families are required to pay up to four times more for their water than wealthy families who have access to the municipal water system (Bustamante, 2012: 90).

In District 9 of Cochabamba, only twenty percent of families have access to sanitation services, forcing families to use other methods to dispose of their wastewater. This is affecting both surface and ground water in the area, making the provision of water services even more unreliable for poorer families (Bustamante, 2012: 90). In District 9, the two main sources of water are water sellers and community tanks, which are

supplemented by water from nearby rivers and canals when there is an insufficient supply from private sellers. Additionally, people collect rainwater to wash or cook and others buy bottled water. However, these methods do not provide enough water for domestic uses, and canals and rivers are not sufficient during the dry season, making it difficult for families to maintain vegetable gardens or to raise farm animals (Bustamante, 2012: 90).

An example of a community-based water system seeking to fill the gap left by SEMAPA is Villa Israel's common pool water system with water provided by two wells approximately thirty minutes away from the community (Wutich, 2009: 183). The system and water are independently operated and owned by the community. The system is managed by Villa Israel's local government and only community residents are eligible to receive water from the wells and to participate in the governance of the community water system (Wutich, 2009: 183).

Despite successes of some of these community-based water systems, many do not provide an adequate supply of water to meet the daily needs of households and families (Wutich, 2009, p. 183). Additionally, in some informal squatter settlements, water sources disappear permanently, dry out seasonally, or are contaminated, leading to an insufficient supply of water to meet the needs of families in the area. Significantly, these systems are vulnerable to environmental challenges and stressors such as drought, desertification, population growth and climate change (Wutich, 2009: 183).

In conclusion, discussions concerning municipal water governance have stalled in recent years (Marston, 2014: 81). Many people have a vision of an expanded and improved public water company that extends to the most isolated areas of the city,

reaching the most marginalized populations. Based on this perspective, community water systems are seen as temporary institutions that will exist until the municipal network can provide universal water access to its entire service area (Marston, 2014, p. 81). However, members of community water systems do not trust the state to provide consistent water access. Actors within these organizations insist that any reform of municipal water governance must include these community-based systems through a scheme of comanagement and cooperation with SEMAPA (Marston, 2014: 81).

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