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Bolivia's Agrarian Revolution: Trying to Keep the Promises of Past Governments

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Bolivia has more land per capita than any other country in South America, but it is still the poorest country on the continent, partly because it has the most inequitable land tenure. The western third of the country, where most of the indigenous majority lives, is mountainous and relatively unproductive, while the eastern two thirds of tropical lowlands are dominated by a small class of elite large-scale landholders.

Land claim records have been poorly kept and exact land tenure figures are not yet available. However, government officials estimate that a few thousand large landholders control at least 60 to 70 percent of the potentially productive land in the east, while only 5 to 10 percent of the agricultural land is in the hands of hundreds of thousands of indigenous farmers.¹ Several smaller lowland indigenous groups have been awarded large territories, but these are mostly protected forest reserves and dry subtropical plains that are not well-suited for agriculture.

The "Agrarian Revolution" of the Morales government is not a wholly new initiative; rather, it is an attempt to address the corruption and inefficacy of prior agrarian reform processes. In 1953, Bolivia's first Agrarian Reform Law freed Bolivia's indigenous peoples from virtual slavery on large landholdings and awarded them small plots of land. At the same time, the reform privileged intentions to develop large-scale agriculture, by giving away large plots of forest to non-indigenous people in the tropical lowlands. Subsequent military dictatorships and civilian governments awarded large tracts of land to speculators posing as agricultural entrepreneurs, while miring indigenous peasant claims in bureaucratic processes.

During the 1990s, frustration from unmet agrarian reform expectations led to increasing land conflicts in rural Bolivia. In 1996, the government of Sanchez de Lozada passed a new agrarian reform law that recognized indigenous territories and promised land to poor farmers. The main effect of this law, however, was to put in place procedures know as "*saneamiento*" to address disputed land claims and clarify property rights. The 1996 law required land to serve a socio-economic function by being used productively or being protected as an ecological reserve. The law made large speculative landholdings subject to redistribution to the landless, but it failed to establish adequate criteria to regulate this process, so that land redistribution did not move forward. During the past ten years, landless farmers and other claimants have continued moving into unoccupied lands in rural and outlying urban areas throughout the country.

To address these mounting problems, the Morales administration enacted additional agrarian reform legislation, narrowly passed by the Bolivian Senate in November 2006. Although the Morales government's measures have increased friction with the lowland landholding elite, they represent a concerted attempt to reduce conflict by ending the corruption and favoritism that has left indigenous and low-income rural families landless and exacerbated poverty. The new law has resulted in a significant reduction in land invasions by poor farmers, as they await implementation of the reform.²

Protests by Big Business

Although there is little new about the Morales government's program, the lowland political and economic elite have protested it vigorously. The political opposition and large landholders are concerned that this government may actually implement the policy of previous governments, rather than allowing continued corruption and favoritism. Morales began the process in May 2006 by presenting land titles for 3 million hectares to 60

indigenous communities and groups and promising that Bolivia's 2.5 million rural poor would receive title to 20 million additional hectares over the next 5 years. This ambitious plan would result in about 13% of Bolivia's land being given to approximately 28% of its people. It will be very difficult to achieve, but it could be a significant step in overturning Bolivia's status as one of the world's poorest countries.

The US press has often confused the issue by describing the lowland agribusiness elite as protesting "farmers" even though some of the major economic interests of these "farmers" include ownership of banks, shopping malls, and factories. Many of the elite who will be affected by the law are actually engaged in land speculation and own large trophy properties with extremely low levels of cattle ranching.

The Morales administration's regulations generously allow large ranchers to claim up to 50,000 hectares as long as they have one adult cow per five hectares, but many elite landholders do not maintain even close to this low level of productivity. The elite ranchers have protested the regulations by demanding that young calves also be allotted five hectares each. Meanwhile non-profit organizations that work with the poor (such as Heifer Project International) in Santa Cruz have long recommended that only one hectare of pasture is needed to support a combined cow and calf. Land claimants are also allowed under the new law to retain fallow land in crop rotation, as well as land dedicated to an ecological reserve function.

The press has characterized the Morales government as using the agrarian reform to attack its political opponents; in fact such conflict is inevitable because so many of the lowland political elite appear to have benefited from corrupt land grants and fraudulent purchases of land. These opposition landholders include well known political families including that of Branko Marinkovic, the president of the Comité Pro-Santa Cruz.

Marinkovic is a businessman of Croatian descent, the owner of a major cooking oil factory, and a director of the Banco Económico. Marinkovic has claimed parcels of land totaling 27,000 hectares within the indigenous territory of the Guarayo people. The government says that the land was purchased in an illegal transaction and that until recently Marinkovic only farmed a few hundred hectares and grazed 40 head of adult cattle.³ Marinkovic has countered the government accusation by insisting that his sisters own the land, including a large lake traditionally used by the Guarayo people.

The Progress So Far

As with other government initiatives, agrarian reform under the Morales administration has moved forward more slowly than hoped. At the same time, it has progressed more quickly and efficiently than the Sanchez de Lozada and Banzer administrations of the past decade. On August 2, the Morales government stated that it has so far awarded 5.1 million hectares to indigenous communities and distributed 500,000 hectares of state land to poor farmers. Small and large property owners received title to 160,000 hectares as part of the land legalization process.

Morales declared that in a single year his government completed the legalization (*saneamiento*) of 5.5 million hectares in property claims at a cost of \$6.6 million dollars, compared to the 9 million hectares in claims that previous governments were able to process over an entire decade at a cost of \$90 million dollars.

International technical and financial support for land reform efforts can help promote equitable and successful initiatives to improve the economic situation of many of Bolivia's poor and peacefully resolve longstanding historical conflicts.

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¹ Agencia Boliviana de Información B5789 05-08-2007; Con los Pies en la Tierra: Un año de Revolución Agraria en Bolivia. Observatorio de la Revolución Agraria. No. 1 July, 2007, p. 34. Fundación Tierra, La Paz, Bolivia.

² Con los Pies en la Tierra: Un año de Revolución Agraria en Bolivia. Observatorio de la Revolución Agraria. No. 1 July, 2007, p. 28. Fundación Tierra, La Paz, Bolivia

³ "Branko Marinkovic dice que es inocente y que se defenderá en la justicia. Ejecutivo pide procesara líder cívico por fraude en tierras." La Prensa, June 29, 2007