

THE INTERNATIONAL COUNCIL ON HUMAN RIGHTS POLICY

Review Meeting

Poverty: The Relevance of Human Rights to Poverty Reduction

Phuket, 23-24 June 2005

POVERTY, DEVELOPMENT AND HUMAN RIGHTS IN BOLIVIA

Antonio Aramayo and Manuel de la Fuente

© 2005, International Council on Human Rights Policy
ICHRP commissioned this document as a Working Paper.
ICHRP has not edited it and is not responsible for its accuracy or for the views and opinions expressed.
ICHRP welcomes the re-use, re-publication and re-distribution of this paper, appropriately cited.

INTRODUCTION

1. Human Rights in a society is strongly linked to the level of development, which not only comprises economic aspects related to production, commerce, consumption and the distribution of surplus, it also refers to the political aspects, such as institutions, norms and decision making mechanisms. Economics and politics grounded by ideological aspects where culture and traditions play an important role.
2. In every society these economic, political and ideological aspects are articulated differently, and set the respect to civil, political, economic, social and cultural rights. Some societies respect some of these rights, in others the majority of them are respected, and in a very few societies all of them are respected at the same time.
3. In the case of Bolivia, throughout its history, respect to Human Rights has been very conflicting. For a long time, the right to property has been privileged over the rest of human rights, which in numerous occasions have been brutally violated. Even now, this right is still a priority compared to others, particularly the DESC. Although this is done in a totally different context, where the democratic liberties are respected, and where there is an intention from the State, at least in a discursive manner, to fight poverty.
4. This fight is introduced, largely, in the framework of a global problem, where the international financing institutions think that the participation of the poor in the making of poverty reduction strategies (PRS), is essential, not only because it is their right to take part in this process, but because in these consultation processes they bring up the real needs of the poor, which should be taken into account by Government authorities. Dialogue is opened which should lead to agreeable decisions. This allows the civil population appropriation of such policies, and brings about greater transparency, renders accountability, follows up, and evaluates possibilities of the PRS impact.
5. In this work, we will try to analyze how the Bolivian Poverty Reduction Strategy (BPRS) has been conceived, if it has had a large civil participation, if the population was able to take

control of this strategy, if there is greater transparency, and if the created social control mechanisms allow for follow up and evaluation of its impact, which is varied. In this work, we will limit ourselves, mainly, to present those impacts related to public debt evolution and poverty in the country.

6. One of the components in the fight against poverty was to take the municipalities as one of the most important institutions to carry on the management of the BPRS. This is the reason why they were allotted additional funds from the international initiative to lighten foreign debt of highly indebted poor countries (HIPC II). Therefore, this work will examine the municipalities' current work, particularly studying the Irupana municipality where an experience, showing probably, a way to fight poverty, is being carried on.
7. Before studying this case, we will first of all, present a brief conceptual discussion on the human rights problem and its relationship with the development models.
8. Secondly, we will present some historical background, which will take us to the XX century, and to its first half, when the development model, primarily exporter, was dominant, where practically any human right was respected at all, at least, that was the case of the majority of peasants and indigenous people of the country. At this stage, we will analyze the impact of the 1952 Revolution which provokes a change in the development model, strengthening the role of the State and of the internal market, through the diversification of the economy, and the substitution of the imports. At that stage, a series of rights are recognized by the State, and Bolivia joins a number of international treaties, such as the PIDESC.
9. Thirdly, we will talk about the previous instances to the adoption of the neo-liberal model, as a result of the exhaustion of the State of 52, which allows the implementation of such model. This new model is applied as of 1985, and proceeds to dismantle the different instruments of economic control that the State had, leaving to the market the endeavour to promote development. And fails to do it, on the contrary, the inequalities, and lack of DESC accomplishment become more real.
10. Fourthly, we will continue analyzing the neo-liberal model, studying in more depth the relationship among the economic and social policies, in the four stages that we divided the period. The BPRS is adopted in the last one, and we will analyze it in detail, as we said we would do. Fifthly, we will analyze the advances and difficulties in the human rights implementation along with the established social policies since 1985. Sixthly, we will examine the experience in the development process in the Irupana municipality. Finally, the conclusion will include the main findings of this research.

HUMAN RIGHTS CONCEPTUAL FRAMEWORK

1. To place the relationship between Human Rights and the Bolivian Poverty Reduction Strategy (BPRS), we consider necessary to highlight the human rights status and transcendence, and its relationship with the economic, and social policies in our country, which supposes to contextualize such status starting from the human rights conception and principles, emphasizing critical and comparative approaches in order to propose a close relationship among human rights and human development (HD), as a way to search for a real implementation, the corresponding results, effects and ethical values and the enlargement process of the citizens' options, increasing the functions and capabilities as long as they relate to human beings.

2. The Human Rights are the rights that every person has, in virtue of its common humanity, to live a life of freedom and dignity. The Human Rights have as their foundations the universality, the inalienability, and the indivisibility, as long as these characteristics allow the reinforcement of its positioning, allowing every human being to feel with all the right to request for its personal guaranties, and for its dignity related to education, basic needs, and development. In relation to the principle of universality, Human Rights correspond to all the people, who have the same condition in relation to these rights; Human Rights are inalienable they cannot be taken away or replaced by others, nor one can reject them voluntarily; finally, Human Rights are indivisible in two ways: first of all there should not be hierarchies among the different types of rights, civil, political, economic, social, and cultural rights, they all are equally necessary in order to live a meritorious life; and second of all, any of these rights can be suppressed in order to promote others, in other words, civil and political rights can not be violated in order to promote economic, social and cultural rights or vice versa. (PNUD 2000:16).
3. Following these principles one human right is accomplished when individuals enjoy the liberties protected by such right and its right to exercise is guaranteed. The Human Rights of a person are consummated only when there are sufficient social mechanisms to protect a person from the threats against the exercise of these liberties sheltered by these rights.
4. In reality and throughout history, in correlation to the political and ideological forces that determined the socio-political context of the XX century, the occident proposed the intransigent defence of the individual and political rights, and the socialist block proposed the defence of the economic, social, and cultural rights. This ideological fight is officially channelled in the making of the civil and political rights Agreement, and the DESC (PIDESC) Agreement. As a result of such process, the compulsoriness of the individual and political rights came about gradually fulfilling the DESC, since they are results to be obtained in the long run, according to the State's financial possibilities, This struggle and contradictions that could possibly end with the fall of the real socialism, remain in countries such as ours, where the socio-political and ethnic cultural demands are mingled due to extreme poverty, worsening the social conflicts, in spite of the mitigating policies, they do not respond to the structural poverty in which we live¹.
5. The critical and sceptical focus of a static position of Human Rights, imply that in proposals of this nature, there is a problem of compatibility among the diverse kinds of Human Rights. That is, that the accomplishment of one Human Right interfere or could possibly interfere with the accomplishment of another one. For example, the right to work is in conflict with the right to private property legality, the right to property is in conflict with a fair land distribution, the right to freedom of speech is also in conflict with monopolization, in terms of ownership of the media by the private sector or by the state. To complement these contradictions, some rights are prioritized over others breaking the indivisibility principle. This is how the need to coordinate the conflicting human rights differences comes about, defining preferences among the diverse human rights involved in the conflict. Such conflicts can only be solved if preference is given to one right over another one, and as a consequence to one right over the others. In the Human Rights ordaining pops up a right or a group of a priori compatible rights, such as the fundamental right, which is the reference right in the

¹ According to the Centre for Studies for Economic and Social Reality (Centro de estudios de la Realidad Económica y Social, ERES) conflict map, between 1970 and 1988, that is, in 28 years, the media registered 7,647 conflicts, more or less 373 conflicts per year. However, we account for an average of 472 conflicts per year, under democratic regimes. According to the President of the Republic, Carlos Mesa, in a year of his term in office there were 832 social conflicts. Conflicts begun to increase in 1999, to turn into an explosion of protests in Cochabamba in 2000, and the strikes and road blockades in La Paz in July 2001 later reached their highest conflictive peak in February and October 2003.

solving of conflicts between rights. Therefore, one determined human right mediates all the others, and becomes a principle of hierarchy organizer. This is the reason why this fundamental right outstands many times as the natural right.

6. But there is still another common element to the different theories on democracy. This human rights hierarchy principle is not only the centre, but they all place this principle as regulatory in the access of human beings to production and distribution of material goods. The access roads to material goods pre establish the meaning of all human rights. On the one hand, this means that every human rights accomplishment has to be done in the framework of the social material product that the society produces, and on the other hand, every human rights accomplishment has consequences on income distribution, therefore, on the material goods distribution among the diverse individuals, although not all the income refers directly to material goods (Hinkelammert 1990:137 and 138)
7. It is also necessary to point out that such hierarchical organization sustains itself on focus of the economic policies strategies that prevail in a State. The state coercive character can not be denied, nor is less deniable its reflection of a society character, as long as it shows both: the hegemonies of its social classes and its obedience of the other social sectors, at least in its splendour and development of its socio economic formation moments. That is, the state also expresses the social consensus, expressed in legal bodies and coexistence. This being the reason why these rights are formulated in their basics in respect to the States, that is, the State while legitimate representative of the common good is "...the only citizens' rights guarantor and therefore the only that can be requested in case of a violation of such rights" (Huhle).
8. The previous arguments make evident the existence of an important relationship between human rights and the socio economic policies. Being pertinent that human rights should not only be analyzed from a legal or ethical point of view, but it should also be analyzed from an economic surplus distribution point of view, which, at the same time, is connected to two analysis levels:
 - The human conglomerate contribution to generate international economic surplus and its access and participation in it.
 - The surplus volume generated by this human conglomerate and its internal distribution in both ways: as distribution of surplus through income and as rendering services
9. The recent international attention given to the relationship between human rights and poverty constitutes, then, an important improvement that complements in a substantial way the legal treatment that had been taking place.
10. This is probable why international organizations that work with human rights limit themselves to a more instrumental discussion of poverty, which in some way evades the structural component. Even like this, the relationship between poverty and human rights constitutes an important evolution, due to the fact that it gets closer to the minimum of democratic substance currently required by every society. The country's small size and the contradictory pressures affect the society's behaviour as a whole, and generate a National State weakly structured around democratic forms that are after legal acceptance, but that in many cases lack real economic and social sustain.
11. In fact, in a country with such a small economy and with the tendency to exclusion and segregation, there are important social sectors that lack the minimum base of citizenship that would make them feel as part of the collective. They take part of the economy in a marginal

way, and therefore, have an income of subsistence, they do not generate return to public investment, therefore, they do not have access to services, and if they do, they get second class services. Finally, their archaic forms of productive and social organization are quickly falling apart due to the market pressures, generating in them insecurity and uncertainty.

12. Because of all the above, Human Rights have a triple dimension: they are an ethical category, a political dimension and a public international right judiciary category, closely related to the economy, as we have just mentioned. This diverse human rights status brings about problems and confusion. As Savater says” transversal people to ethics, to law, and to politics try to provide the code where their demands are gathered without mixing. This is the source of their peculiar insufficiencies and still growing fascination” Savater (1991: 164).
13. This is the conceptual framework in which we will analyze the social policies history and their implementation in Bolivia.

HISTORICAL BACKGROUND

14. Bolivia, like many other Latin American countries, has lived two development models, from the mid 19th century to the present. The first model lasted up to 1952, and it had the characteristic of being oriented “towards abroad”, having the exportation of minerals as the only generator of development, silver in the 19th. Century and tin in the 20th century².
15. In those days, free trade was the rule, and the State had very little to do with the economy. The government worries concentrated in the production and export of minerals. The food supply for the mines came from the surrounding areas, and three fourths of the population lived in the rural area (in 1950). This primary exporting model did not give any good results, and Bolivia in the 50’s was in a complete backwardness state, specially in the countryside where the situation was dramatic and where the peasants and indigenous people were almost in a state of slavery, having to work for free for the big landowners.
16. The exploitation of the indigenous people and peasants was disgraceful, violating basic human rights, such as: education, health, and the right to elect and to be elected. This situation brought about indigenous revolts by the end of the 19th., and beginning of the 20th centuries. The first peasant unions got organized after the Chaco war (1932-1935), and during the 40’s the labour movement got stronger which has the mining sector as its corner stone. The mine workers union became the milestone of the substantial changes that came about starting 1952. These movements regained the universal vote, the nationalization of the mines, the agrarian reform and the recognition of numerous rights, such as, the right to get organized, to education and to health.
17. The second model was implemented as a result of the April 1952 revolution. The Movimiento Nacionalista Revolucionario (MNR), author of the revolution along with the miners, once in power, started a radical transformation of the Bolivian society and the Bolivian State. The mines were nationalized, slavery in the countryside was abolished, land was given to the peasants and indigenous people through an important agrarian reform, and a diversification of the economy process started. The universal vote was also established, and the Bolivian Education Code was approved. It is necessary to mention that the 52 Revolution presented, as its structure of action, the political and economic strengthening of the national bourgeoisie, and the inclusion of the indigenous sectors to the occidental culture. This is a vertical proposal which does not recognize the indigenous cultures and imposes the “you have to be the same as us”.

² By the end of the 19th. century, rubber was an important export for a short length of time.

18. In this development model, the state becomes decisively important becoming the major economic agent (State Capitalism). In many ways, this was the reality for the majority of Latin American countries. The state took part in the economy by allocating resources through credit and subsidy, it made plans, carried on an endless number of projects and programs, and it controlled the money exchange market and prices. It was a protectionist government that regulated international trade, imposing high tariffs and other mechanisms to control imports, and it owned the largest companies in Bolivia (CBF; COMIBOL; YPFB; ENTEL; ENDE; ENFE; ENAF; LAB, etc.).
19. With such resources, the State restructured the country, favoring a “private” enterprise that lived of political favoritism, key to the state resources. It benefited, untiringly, a selected minority of favorites, taking away from the rest of the country. But, over all, it discriminated, with incredible myopia against regions and massive social actors, taking to bankruptcy the peasant economy mainly in the so called “traditional region” in the occidental region of the country. On the contrary, the urban centres of the so called “central axis” La Paz, Cochabamba, and Santa Cruz, as well as, the commercial agriculture of the Orient, were benefited by public policies.
20. The 1952 state, as political build up, led by the MNR, lasted until November 4th 1964, when the re-elected president Victor Paz Estenssoro was overthrown by a military revolt. As opposed to the 1952 state, the economic and social behaviour model lasted twenty one more years, until 1985.
21. From 1964 on, a series of dictatorial governments followed, which had the institutional presence of the armed forces, with the political support of power sectors of the Orient and Occident of the country. During these years of dictatorship, the most basic people’s political and civil rights were violated, and labour and student sectors were specially repressed.
22. These state policies outcome has led to an uneven regional development, and an unfair social development. The majority of the population, particularly, the peasants and the indigenous people are in an extreme poverty condition.

THE NEOLIBERAL STATE

23. Before analyzing this model, it is important to point out that thanks to the popular sectors’ heroic struggle; democracy is recovered in October 1982. Ever since, the existence of a democratic state is manifested by the freedom of expression, the existence of a multi-political party system, and national and municipal periodical elections.
24. In the first few years of democracy (1982-1985) a coalition of leftist political parties tried to govern the country (the Unidad Democrática y Popular UDP). We say “tried”, because it had to withstand for three years the military and right wing parties that had control over congress, likewise, it had to withstand a series of demonstrations by popular organizations that exploded after seventeen years of repressive regimes
25. As a result, the government lost control of the economy, bringing about one of the worst economic crisis known in the country. Between 1982 and 1985, a hyperinflation process took place, the productive apparatus was somehow stagnant, there was a shortage and speculation situation, exports went down, and Bolivia was in a very precarious situation to be able to pay its foreign debt.

26. But, it also was a time of a strong political crisis, which affected the left that got divided over and over, and was not able to retain the government that they had deservedly gained after a long struggle for democracy. Its failure in trying to find solutions based on the state “model” of 1952, already unsustainable, made it to call for elections before the conclusion of its mandate.
27. In this political and economic crisis context (with a weakened left, and a right in a reorganization process under new parameters for a democratic exercise of power) Victor Paz Estenssoro, MNR founder, is sworn in as president in 1985, and implemented, through the 21060 Supreme Decree, a new economic policy (NPE).
28. But, the 21060 is not only a package of economic measures, but rather, a set of political and ideological orientations that sets forth, from then on, the path of the “New Bolivia”. The MNR, at that time allied of ADN (“Pact for Democracy”), at the beginning of its term, through a shock policy, tried to take the country out of the crisis in which it was deeply involved, taking into account that the excessive fiscal deficit was the cause for the crisis. Therefore, the aim was to reduce or eliminate this deficit, by reducing the State expenditures and increasing its income.
29. To reduce expenditures, the government lowered: the cost of hand labor “relocating”³ thousands of the Corporación Minera de Bolivia (COMIBOL) workers, firing hundreds of state employees, dismantling the group of companies that depended on the Corporación Boliviana de Fomento (CBF), and freezing or lowering the salaries of workers that remained in the public sector.
30. To increase income, the government increased the price of goods and services that the state offered, particularly the price of oil derivatives, and taxes were increased, through a Tributary Reform
31. Additionally, foreign trade was freed, allowing free importation and exportation. Price control was also eliminated, leaving to the market the responsibility of setting prices of goods. Likewise, money exchange controls were also eliminated. This way, the state took away its interventionist role from the economy. Finally, the labour market became flexible, eliminating employment security through free hiring.
32. During the Jaime Paz Zamora government (1989-1993), MIR leader, who governed with ADN, the implementation of the model was deepened, some laws were modified. Thus, with the intention to attract foreign investment, some new laws were passed, especially in the field of mining, of hydrocarbons, and a new investment law. The process of privatization was also started, privatizing some small companies that were under control of the Corporaciones Departamentales de Desarrollo (Regional Development Corporations)
33. The MNR was elected again to govern in 1993, and deepened the neoliberal model, through the “capitalization”⁴ of the main Bolivian State owned enterprises and through the retirement plan reform. It also made meaningful changes to the country’s institutional structures. Thus, a decentralization process started in 1994, with the Popular Participation Law (PPL), which was complemented by the Administrative Decentralization Law, passed in 1995. This law delegates technical and administrative functions to the departmental prefectures with the objective to make more efficient public services and promote regional development. We will get back to these laws later on.

³ The so called relocalization consisted in the massive firing thousands of mine workers from COMIBOL.

⁴ Name given to the public enterprises privatization process in Bolivia

34. The following government, led by General Banzer (1997-2001), continues the neo-liberal policies, by privatizing some companies that still remained under the control of the State, such as, oil refineries and water companies. But this is the time when the economic crisis begins to reveal itself. In reality, the neo-liberal model stopped the hyperinflation, however, the growth rates were not at their best, Thus, the economic growth in the 90's was greater in that moved capital, such as, electricity, transport and the banking industry which reached higher than 4.5% growth rates, against lower growth rates that other sectors experienced: 3.8% manufacture, and 2.5% traditional agriculture; that used more hand labour. Meaningful regional economic growth disparities were also evident, particularly in the departments of Santa Cruz, Cochabamba, and Tarija that experienced an economic growth rate of 5.7% against poorer departments such as, Chuquisaca, Potosi and Beni that only reached an annual economic growth rate of less than 2.5%.
35. It is also evident that from 1999 to 2003 the per capita PIB decreased every year. In 1999 it went down from 4.9% to 1% in 2001, from 6.5% in 2002 to 5% in 2003 to 1.4% in 2003 (Muller and associate: 2004:17). It was not until 2004 that this tendency reversed. However, unemployment problems, the national private sector banking delay and fiscal debt still continued.
36. On the other hand, the discredit of neo-liberal political parties, the nepotism problems, and corruption produce a strong model wear and tear, and opposition begins to grow.
37. An opposition that is expressed on the streets and in the electorate ballots. The April 2000 fight to prevent the privatization of water in Cochabamba starts this cycle of social protests that continues up to the present, and the 2002 elections show the social movement electoral advancement.
38. During the Banzer Government, the institutional legal system strengthening was emphasized through the creation of the People's Defender, the Constitutional Court, and the Judicature Council. We will examine these organizations further on.

SOCIAL POLICIES AND FIGHT AGAINST POVERTY

39. The neo-liberal policies in the country are following the Structural Adjustment Plan (SAD), which meets a World Bank proposal (1995). There has been, up to now, continuity in economic policies, following very closely the international organizations guidelines. However, in the social policies case, as Arauco points out (2000), this follow up does not take place, which brings about the following changes:
40. The first neo-liberal government (1985-1991) gave priority to the economic issue, facing a deep economic crisis. In an attempt to reduce hyperinflation, the government rationalized its expenditures, lowering the number of public employees and of workers that were employed in State companies. On the other hand, it reduced the salaries social expenditures, which had a high social cost. By "diminishing" the State, and give way to the private companies, a boost in production was expected, which would have brought interesting levels of economic growth, and improve the people's social conditions. This "overflow" idea, which prevails now, brings the hope that economic growth will be an efficient instrument to reduce the social cost that the other policies brought about.
41. However, this did not happen, and the government created the Emergency Social Fund (ESF), "which became the most important social policy instrument". This institution was meant to give temporary relief to the poor sectors needs. In order to do that, it focused the

social expenditure and created temporary jobs. The ESF had great impact in poor urban areas and in some rural areas as well. It also helped build social infrastructure (schools, sanitary posts, basic sewerage) in very depressed regions. However, because election time was approaching, it did not look for nor tried to find solutions to “the structural poverty and exclusion foundations” (Arauco 2000: 240 ss.).

42. The second government (**1991-1993**) continued with the same economic policy, and tried to introduce “a vision of longer social reach” as Arauco says (2000). To accomplish this, it created a Bolivian Social Strategy (BSS)⁵ which gave priority to the human issue. This human issue is considered the link between the economic and social issues, in the sense that “the social expenditure in human capital is the secret to the economy’s modernization, it is the best economic investment” (Escobar 1992: 21). The social expenditure to strengthen the human capital has to be done through education, health and basic sewerage; being the Social Investment Fund (SIF)⁶, one of the institutions in charge of this strategy execution.
43. The BSS provides the fight against poverty guidelines in the country, and was criticised from various points of view. For example, Toranzo doubts the government’s sincerity, and asks if is acting just to be “in fashion”, to follow certain policies proposed by international organizations. Organizations that reduce their worries, about certain unsatisfied basic needs, by not thinking about “income policies and employment, considering that the lack of income is one of the most severe problems that the majority of the population has” (Toranzo 1998: 38). Pereira said in an interview said⁷ that the government did not really implement the BSS, which remained simply as a proposal.
44. The third government (**1993-1997**) leaves aside⁸ the discussion about the fight against poverty, and instead, introduces a new generation of institutional reforms among which the beginning of a decentralization process outstands, made possible through the approval of the Popular Participation Law (PPL) which creates municipal governments, wherever they did not exist and provides them (old and new municipalities) with new responsibilities, specially in the fields of education and health, and to take under its control local development and to promote and patronize policies that would involve women’s needs. To do this, it transfers economic resources to the municipalities (20% of national taxes), which is meaningful for many municipalities that before the PPL did not have any funds. On top of this, they are given their own income, and they now have the possibility to have access to the Development Funds resources (SIF, PDF, and the RDNF), and to international cooperation.
45. On the other hand, the PPL promotes, as its name suggests, the population Participation, giving it the right to propose, request, control and supervise the execution of municipal projects, as well as, providing municipal services according to community needs. The proposing and influence over the municipal actions capacity is given through participative planning, mechanism that in theory determines where the Municipal Government should invest.
46. Another organism created by the PPL are the Surveillance Committees (SC), that are made of elected by the organized communities. This is a mechanism of social control that has as its main responsibility to make sure the economic resources that the central government transfers to the municipalities are fairly and correctly spent.

⁵ See CONAPSO (1991).

⁶ The SIF replaces the EDF., Around this time, the Peasant Development Fund was also created. For a Fund impact analysis see Valdivia (1996) and Velazco (2000).

⁷ Interview made to Rodney Pereira, former UDAPE president, in La Paz on December 24th.2004. UDAPE is a government office in charge of the Bolivian economy analysis and planning.

⁸ Pereira at the same interview said that, in this days, the discussion about poverty “lowered its intensity”.

47. The PPL has contributed to generate resources redistribution to regions that had never received Central Governments funds. This process permitted to increase the social investment levels in the majority of municipalities and sponsored the civil society participation in resources distribution, through the conformation and recognition of neighbourhood councils, peasant and indigenous communities, and in the local decision making and participative planning processes.
48. But the PPL is not the only instrument that had social impact. During this MNR government an education reform took place, which objective is to better the primary education level quality, a greater access to it and to improve the school infrastructure. In terms of health, a New Sanitary Model was implemented which later became a Health Sector Reform. In this framework, the Child Mother Insurance was created in 1996, an insurance that makes health accessible to pregnant women during baby delivery and to children less than 5 years of age. This legal instrument tries to reduce the high mother/child mortality rate. Another insurance that became into effect in 1997 was the Free Medical Insurance for the Elderly. This insurance policy implemented since 1996, has been an important improvement and made health accessible. Before this a few Bolivians had medical insurance.
49. In reality, these poverty mitigation policies are related to the possibility of a good work done by the municipal governments in terms of facilitating greater access to the population to education and health. On the other hand, as always, it was expected the economic measures taken by the government would boost the productive apparatus and would make the economy more dynamic, which would open more employment opportunities, more income, and less poverty. However, the dynamism of the economy did not have the desired impacts nor lasted too long, since at the end of the 90's, the economy began to turn stagnant.
50. The next government (1997-2002) at the beginning of its mandate implemented a "National Dialogue", with the objective to reach consensus over the path that its government program should have been like. In order to do this, it established discussion tables, inviting to all the political parties, intellectuals, and civil society organizations. At this "equity" table, poverty was discussed and was considered one of the most important problems the country was facing. The outcome of all of these discussions was used to elaborate the "Proposal against poverty" which "did not turn into an action program ... because the consensus reached at the National Dialogue faded away" (Arauco; 247).
51. Parallel to this situation, in 1998, Bolivia got benefited from a World Bank and International Monetary Fund foreign debt mitigation program, called HIPC I⁹, because it is one of the poor country with a high foreign debt, making continuous efforts applying neo-liberal structural reforms. Thanks to the HIPC I, Bolivia received 788 million dollars to mitigate its foreign debt, nominally. This money was supposed to strengthen the social budget. However, an investigation made by Abendroth (2002), cited By Murillo, shows that there is no official information stating that these funds went to "social programs, in other words to fight poverty. On the contrary, this money was registered as instalments to finance the public sector deficit" (2204: 83).

⁹ The HIPC I initiative was approved by the G7 group (United States, France, Japan, Germany, the United Kingdom, Canada, and Italy), in its Lyon summit in 1996 (Dirección General de Financiamiento Externo: 2001).

The HIPC II and the 2000 National Dialogue.

52. In 1999, the G7 countries, pressed among others by an international campaign coordinated by the Catholic Church¹⁰, extend the debt mitigation program for poor countries highly indebted, starting the HIPC II. To be able to take part in this program, the World Bank and the International Monetary Fund required the countries to establish participative processes to elaborate a poverty reduction strategy. The Bolivian Government, consequently, organized one complying with the international financing organizations requirements, the National Dialogue 2000.
53. Before analyzing this Dialogue, it is important to mention that the Catholic Church had organized in the framework of the Jubilee Forum 2000, a consultation and coming to terms process among the different entrepreneur, labour and social sectors. They discussed a series of aspects related to the poverty problem. Aspects that go from the discussion of macroeconomic policies impact; passing through the testing the deficiencies in health and education, to analyze problems related to employment, income, land ownership, and productivity. Human Rights were also discussed at the Forum, according to Rodríguez¹¹.
54. The Church, according to Juan Carlos Nuñez¹², expected that the mechanics used at the Forum, as well as, its outcome, would be used as base for the National Dialogue called by the Government. However, the government used a different dynamic, privileging a territorial representation rather than a sectorial delegation. On the other hand, it limited itself to discuss social themes, excluding the discussion of the Human Rights issue and other important themes that were treated in the 2000 Jubilee Forum. Going over what happened in the Dialogue 2000, Nuñez (2005: 15) points out that many of the requests made by the social movements treated at the Forum were not taken into account in the Dialogue. He further mentions that it “was reduced to define the distribution of the HIPC resources in the framework of the policies and selected sectors picked by the National Government, leaving aside meaningful themes“ which later on, were expressed in the streets, in the road blockades, and in the conflicts that arose in recent years. We will come back to this confrontation theme that Bolivia is immersed in since 2000.
55. The Dialogue was thought, as Caraza points out¹³, with a municipal vision, looking for Popular Participation reinforcement, thinking that the municipalities are the adequate spaces to reach agreements. At the beginning the Dialogue was organized around a “social agenda”, that was supposed to be discussed at municipal, departmental tables and one national table. But, due to the influence of the April crisis of 2004¹⁴, as is mentioned in the 2000 Dialogue Memory, “the Dialogue scheme grew, economic and political themes were added to the social agenda”, National Dialogue Project (2001: 15).

¹⁰ This campaign consisted in registering 22 millions of signatures demanding the foreign debt condonation. In Bolivia, more than 420 signatures were collected. Spain and others (2005: 51)

¹¹ Interview made to Fernando Rodríguez from the Human Rights, Democracy and Development Interamerican Platform, Bolivian Chapter, on February 23rd. 2005.

¹² Interview made to Juan Carlos Nuñez, Jubilee 2000 Forum National Coordinator, on March 28th 2005.

¹³ Interview made to Carlos Carfa, 2000 Dialogue Technical Secretariat Coordinator, on February 25th. 2005. Office in charge of the Dialogue success.

¹⁴ Time when the Government, after trying to repress violently a social movement that opposed the water privatization in Cochabamba, and in face of another aymara revolt in the Titicaca region, had to give in and had to subscribe to the petitions of those movements. See de la Fuente (2000).

Participation at the 2000 National Dialogue tables

56. The municipal tables were attended by all the country mayors, Municipal Councils Vice presidents, Surveillance Committees Presidents, and a woman delegate of every Municipality. It had a total of 1215 municipal representatives.
57. The departmental tables were attended by Government representatives, the municipal tables, Jubilee 2000, "Link Committee", and delegates from the entrepreneur, peasant, workers, indigenous people, and trade union organizations. Civic Committees, Universities, and NGO's were also present. It is worth mentioning that 20% of the 935 persons that participated were Jubilee 2000, and Link Committee delegates, which shows those institutions interest and how important this consultation process has become. It is also worth mentioning the weak presence of labour organizations and the almost nil presence of the National Parliament members (2000 Dialogue Memory: 59)
58. At both; departmental and municipal tables the majority of the discussion was around the social agenda, in other words, the debates mainly dealt with poverty as a social problem. However, thanks to the Link Committee¹⁵ participation, some issues related to the small enterprises, and to the mining cooperatives problematic were also discussed.
59. Other more profound themes, such as, poverty structural causes, the impacts of the macroeconomic policies, of the political structures, of the exclusion, or the ones related to land and wealth distribution, were left out from the Dialogue. Some of these themes had to be discussed in the "economic and political agendas". But the first one limited itself to find agreements around how to integrate 7 productive chains. And the political agenda workshops, which had mostly political party representatives, did not reach any conclusions.
60. With the findings, mainly from the tables that dealt with the "social agenda" they made it to the national table, where the majority of delegates were from the municipal and departmental tables. Again the 2000 Jubilee Forum and Link Committee representatives were present. There was also political parties representatives, and from some national organizations¹⁶, such as: CONAMAQ, CIDOB, and the CONALJUVE. It had a total participation of 270 persons.
61. To international organizations, the population participation in the 2000 National Dialogue was a Success as Molenaers and Renard "Donors, led by the World Bank" consider that "the participatory dimension of the PRSP process in Bolivia has been quite successful and that other countries can learn from it" (2003:134).
62. However, for many analysts like Toranzo (2004: 349), there was a strong lack of poor people's and civil society representation. Peasant unions, indigenous people, nor women's organizations were invited. The only ones present were municipal authorities and Surveillance Committees representatives, which in many cases are adopted by mayors. This weak representation of the poor, and over representation of the Municipal Government led

¹⁵ The Link committee groups four small productive organizations from the city and country side, such as the Bolivian Peasant Economic Organizations Integration Coordinator (CIOEC-B), the Micro and Small Enterprise National Confederation (CONAMYPE), the Bolivian Artisan Workers Union Confederation (CSTAB) and the Federation of Mining Cooperatives (FENCOMIN). The Committee, before the dialogue, organized a "National Consultation" that had an attendance of 2300 representatives from its four organizations. See Link Committee (2005).

¹⁶ However, important organizations, such as, the Bolivian Labour Union (Central Obrera Boliviana, COB), the Bolivian Peasant Workers Unique Union Confederation (CSUTCB), and the Cochabamba Tropic Coca Growers Federation (FCTC), did not participate, making the Dialogue useless. To get more details on these organizations leaders opinions see CEDLA (2001).

Molenaers and Renard, to ratify what some social organizations said that “this process was more about central government consulting local government than central government consulting civil society” (2003: 143).

Bolivian Poverty Reduction Strategy (BPRS), its no ownership and the 2000 Dialogue Law.

63. But the worse part is that the results of the 2000 National Dialogue were not respected, and the Government proceeded to hire consultants to make the BPRS. Therefore, the whole consultation process was temporarily frustrated. In reality the BPRS was the outcome of a different consultation, this time, among consultants, Government personnel and the donors’ community¹⁷.
64. Going over in detail, as Tokarsky points out “the BPRS is presented as a very complete book of all the international cooperation in Bolivia... Everything that the community started or only thought of it was included in the BPRS”. Thanks to this procedure, Tokarsky continues “the Bolivian Strategy does not have priorities or a regional or sector focus” and finishes by saying that “even for experts, a document with more than 350 pages is difficult to digest” (2005: 50). This document does not take into consideration the Human Rights problem. In reality as Pereira¹⁸ points out, this theme was and still is absent in the State personnel thoughts, and of the majority of the International Cooperation.
65. The World Bank¹⁹ claims in the sense that the people thanks to its participation would become the BPRS owners, was vain. It could be said that the ones that became the BPRS owners were the Bolivian Government technocrats and the international cooperation representatives.
66. However, according to the Link Committee, the BPRS, as a document did not respect the outcome reached at the Dialogue, this was left aside, and other roads were searched to reintroduce the agreed. As Pinelo²⁰ says, the social movements, particularly the mining cooperatives ones, brought out the National Dialogue outcome issue, but did it this time at the Nation’s Congress that approved the **2000 National Dialogue Law (NDL)**²¹ in December of 2001.
67. One of the most outstanding aspects of this law is how the HIPC II funds would be distributed. Part of these funds is to finance the Health and Education Municipal Solidarity Fund, which has the role to finance posts (hire new personnel) in these two social areas. The rest around 56% is given to the municipalities along with additional resources, recognizing, **recognizing, this way, the municipalities as main actors in the fight against poverty.** This money is distributed, not only according to criteria related to municipality population, but in function of the municipality poverty level, favoring, this way, the poorest municipalities. This law establishes that 20% of the additional resources should be spent to improve public

¹⁷ Comments made by Juan Carlos Requena, one of the consultants hired to work on the BPRS, retaken by Komives and others (2004: 19)

¹⁸ Interview, already mentioned, made to Rodney Pereira.

¹⁹ To the World Bank the “civil society” participation is important, because if consensus is reached through dialogue between the government and the people, both would feel as the poverty reduction strategy owners, which will mean that there would be a strong commitment to apply it. Citizens would get involved in the follow up and would demand the government to comply with its acquired commitments, and this would make it transparent and worthy. Obtaining a circle among: the Governmnet, the civil society, and the poor. For greater bibliography reference on this concept see Molenaers and Renard (2003).

²⁰ Interview made to Coco Pinelo, Link Committee coordinator on March 30th. 2005.

²¹ Bolivian laws can be found at www.congreso.gov.bo/indice.asp

education, 10% to better health services quality and the remaining 70% to improve the productive and social infrastructure. In fairness, by introducing this last percentage, it is considered a Link Committee accomplishment. The Dialogue was also institutionalized, and now, there has to be one every three years. Pinelo²² sees this as something very important.

68. Finally, the instruments for social Control, which we will analyze next, are mentioned in the NDL.

Follow up and Control mechanisms (oversight mechanisms, accountability and transparency).

69. In Bolivia, with the Popular Participation Law approval, in 1994, and the Surveillance Committees (SC) establishment, it is legally recognized, for the first time in history, that a civil society institution will have the authority to control a public institution (Ayo: 2004, cited by Spain 2005: 51). This civil society instance, as we mentioned earlier, will make sure that the Municipal Government spend the money fairly and appropriately among urban and rural centers in the Municipality.
70. Besides these attributions, the NDL delegates the SC's the role to control the Municipal Government expenditures, which come from the HIPC II funds. Another instance created by the NDL, to assist the SC's work is the Social and Economic Productive Development Council (SEPDC), mainly made up of productive and service render sectors of higher incidence in the municipal jurisdiction. This Council should support the SC's work related to municipal participative planning.
71. On the other hand, due to the pressure exerted by the 2000 Jubilee Forum, the 2000 Dialogue Law creates the Social Control Mechanism (SCM) at both; national and departmental levels, with the objective to give the people the chance to participate in the follow up and evaluation of the use given to the condoned resources (HIPC II) and of the other resources assigned to the BPRS. To do this, the SCM should have agreed with a government technical organization (also created by the NDL) to create management guidelines to measure the BPRS²³ impact.
72. All of these mechanisms are considered as an important Bolivian Society conquest, which allows "to take part in the design and application of public policies"; also to "make possible the right to demand" creating "a favourable scenario to make transparent public management and establish the accountability as a habitual practise in the government circle" (España 2005: 142, 143) In spite of this, they are nor functioning adequately. At the SC's level, their functioning is heterogeneous. There are municipalities where they function relatively well, and there are others where they are fully controlled by municipal authorities. On the other hand, the CODEPES are not working appropriately in the majority of municipalities, and in many places they are seen as doing the SC's work, situation that definitely creates conflict between both instances²⁴.
73. In reference to the SCM, their functioning in the majority of departments is deficient, because the majority of their elected members did not know what their role exactly was. Besides, when the framework and institutional structure is not very articulated or operative, the SCM's effective work is limited. On the other hand, the SCM members, in spite of having been elected by social organizations, they do not account for what they do. The representation is very formal and personalized, which supposes a separation between the delegates and their

²² As we mentioned, interview made on March 30th. 2005

²³ The NDL created the BPRS' Evaluation Follow up Interinstitutional Council

²⁴ For an analysis of the SC's work in various municipalities, see España (2005)

organizations. But this is not only the delegates' guilt, this happens because the non participating organizations in the BPRS elaboration, feel unmotivated and sceptical about the SCMs. Besides, these institutions have prepared a different claims "agenda", which were not discussed at the Dialogue, and are giving the government a bad time in other areas, as we will see later. Finally, the government offers incomplete information, that is nor updated, and is too technical, complicating the SCMs work²⁵.

HIPC II outcome policies' impact

74. The World Bank programs, related to foreign debt mitigation, were basically trying to make the highly indebted countries with problems handling their debt, thanks to the HIPC, make their debt sustainable and manageable, and at the same time, mitigate their poverty. Bolivia is having problems to meet these objectives.
75. In reference to the debt, without getting into much detail, Villegas said²⁶, that the foreign debt after being reduced at the beginning of this century, is increased again from 4.3 thousand million dollars in 2002 to 4.9 thousand million dollars in 2004. Being, even a lot more worrying the increase in the internal debt, which makes more difficult to handle foreign debt.
76. As Gugler points out, that although the "solvency coefficient" has reduced from 213 in 1998 to 131 in 2001, the International Monetary Fund and the Bolivian Central Bank (BCB) "agree in that the solvency indicator will become unbearable from 2004 (BCB) onwards or at the latest from 2005 (IMF), at it will remain as such in the mid term run (2005: 73).
77. In reference to the poverty level, before its exam, it is important to point out that the government, in search of the establishment of its social and poverty reduction policies, has increased resources destined to social sectors. The government public investment²⁷ was assigned to those sectors, in absolute amounts, went from 27 million dollars in 1987 to 227 million dollars in 2001, which means that the resources available for the area increased 8.4 times in 14 years. In relative terms, we can say that the social investment in 1987 represented 9.9% of the total public investment, while in 2001 it was 42%.
78. A more detailed analysis of the separated information shows that the investment in health and social security went from 23 million dollars in 1994 to 44 million dollars in 2001, increasing in almost 100% in 6 years. The investment in education and culture it multiplied 8 times in the same amount of time, it went from 11 to 90 million dollars. This is a good sign of public policy, because in a world led by knowledge and information, education has an important role in development.
79. In the field of Basic sewerage, we can also see an important advancement; the investment went from 29 million dollars in 1994 to 59 million dollars in 2001. On the other hand, the area of urbanism and housing faces problems, its investment barely increased from 31 million dollars in 1994 to 32 million dollars in 2001. However, this could have happened because this area is more a responsibility of the municipal governments, strengthened by Law 1554 of Popular Participation passed in 1994, than the central government.

²⁵ We should add to this information what Cavero, former Planning and Sustainable Development secretary said that the Development Funds were not able to be institutionalized nor their municipalities representatives or the SCM's Directory delegates were able to be elected.

²⁶ Interview made to Carlos Villegas, Universidad Mayor de San Andrés Graduate school Program Director, on March 29th. 2005.

²⁷ What follows is a report specially prepared for the People's Defender Office, prepared by Lic. Martha Toranzo. She did not take part in the synthesis nor editing of her work, therefore, she does not have to share the ideas exposed here.

80. The municipal investment went from 32 million dollars in 1994, initial year of Popular Participation, to 97 million dollars in 2001, which means it tripled. The tributary co participation resources transferred to the municipalities are of great importance for an expenditure policy equity objectives, because it represents a significant spatial of public income in favour of rural areas and small urban centres. Besides that a greater part of the municipal investment goes to social sectors.
81. All of this data reflects a greater state action in the social services area, and therefore, it reflect a greater concern to improve the current human rights condition. However, as we will see later, although, the basic needs index has improved (health, education, and others), other indexes related to income have worsen.

Poverty in Bolivia

82. Poverty is a heterogeneous and multidimensional phenomenon, conceptualized at different levels of abstraction: general theories on society, analysis proposals, and interpretation of specific realities, policies and programs geared towards the poor. In each of these cases definitions that represent different focuses, perspectives and interests have been proposed (Mateo, 1997 cited by PNUD 2000: 23).
83. In the Bolivian case, the government has privileged the unfulfilled basic needs perspective (UBN) because from this focus we can show that poverty has diminished. According to the 1992 census 71% of the population was poor, in other words, these people did not have their basic needs fulfilled, while according to the 2001 census 59% remained in this condition. It should be outlined the high rate of poverty in the rural areas (see Table No. 1).

Table No. 1
Poverty according to unfulfilled basic needs.
(in percentages)

	Poor in urban areas	Poor in rural areas	Total poor
Census 1992	53.1%	95.3%	70.9%
Census 2001	39.0%	90.8%	58.6%

Source: INE: 2002. Own elaboration.

84. Blotting out the UBN indexes, it can be pointed out that meaningful progress has been achieved in the urban areas, especially in electrification, health and education²⁸. There are still serious insufficiencies in water and basic sewerage services rendered; as well as, in housing space available. In the rural areas, although there has been certain improvement, deprivation is still considerable (see table No. 2).

²⁸ Government critiques say that this data only show san improvement in access to education and health, and that we should show other data that show stagnancy , deterioration in the quality of education and of health services.

Table No. 2.
Bolivia: unfulfilled basic needs indexes in 2001.

(in percentages)

Year	Inadequate housing materials	Insufficient housing space	Inadequate water and basic sewerage services	Inadequate energetic inputs	Insufficiency in education	Inadequate health services
1992						
total	48.2	80.0	75.9	51.8	69.1	53.6
urban	22.5	76.3	60.0	21.2	53.9	44.2
Rural	83.6	85.1	97.6	93.8	90.1	66.6
2001						
total	39.1	70.8	58.0	43.7	52.5	37.9
urban	15.6	68.9	44.3	14.1	36.5	31.0
rural	75.7	76.3	78.9	91.2	70.9	54.5

Source: INE: 2002. Own elaboration.

85. The differences between regions are also important. Thus in the department of Potosi, almost 80% of the population is poor while the department of Santa Cruz presents a less poverty index. It has 38% of poor people.
86. Government critiques have adopted the focus of income insufficiency. Using the income perspective instead of the UBN focus, poverty instead of decreasing, it has increased in the last few years: In fact, according to Landa²⁹, in 1999 a little over 62% of the population was poor: while in 2002 the poor reached 64.6% of the population (see Table No. 3).

Table No. 3
Poverty according to insufficient income.

(in percentages)

	Poor people in urban area	Poor people in rural area	Total poor
1999	51.3 %	80.1	62.3 %
2002	53.9 %	81.9	64.6 %

Source: Landa (2003: 3). Own elaboración.

87. Poverty increase in recent years can be explained by the unemployment levels increase in the country. Thus, the open unemployment rate in urban areas was in the order of 7.2% in 1999, while in 2002 it went up to 8.7%. Let's point out that unemployment affect more women than men, just like poverty.
88. Inequality, always according to Landa (2003: 20), has also increased. The richest (decil 1) increased their income by 17.7% and the poorest (decil 1) decreased their income by 9%. This caused the Gini index to go from 0.53 in 1999 to 0.57 in 2002. These inequalities have increased since 1994, when according to CEPAL (1999: 66) the Gini index was at 0.43³⁰. This situation makes Bolivia one of the most inequitable countries in the continent.

²⁹ The following data is taken from a document written by Fernando Landa, and Published by UDAPE, although this Government Institution says that the expressed opinions are personal.

³⁰ According to a Caritas study, cited by Tokarsky (2005: 54), the Gini index in Bolivia went from 0.52, at the beginning of the 90's to 0.61 in 2002.

89. Confirming this assertion, the second Millennium objectives official report says that “Bolivia has one of the highest poverty inequality levels in Latin America. 10% percent of the population with highest average income is 25 times the income of 40% of the poorest population; this relationship is about 15 times in the majority of Latin American countries. Poverty reaches two thirds of the population, while this reaches 43% in the region”.
90. These income distribution regressive changes for critical institutions like CEDLA, could be explained by the continuous labour situation worsening, which is expressed by the increase in underemployment, the increase in working hours above the legally regulated conditions, an increase in involuntary part time work, changes in the contractual forms which generate labour instability or work from home, payment by the piece worked or low paid job contracts. Besides, this process is accompanied by a short and long term decrease in social benefits (health, social security), the systematic loss of free association, the right to the strike and union privilege, and the constant fear of open unemployment.
91. This way, all the Bolivian workers’ labour rights, either male or female, recognized by local or international normative, are not guaranteed, and are permanently subject to violation by the State and the private enterprises.
92. In reference to rural poverty, which is massive according to the data shown, it is a result of a series of internal errors in the peasant and indigenous agriculture which has to do with various factors: like the low levels of productivity, the use of obsolete technology, the poor soil quality, the overuse of the soil, and other problems of ecological abuse. But these mistakes can be explained by the exclusion that the peasants and indigenous people suffered from. They did not have access to credit, nor technical assistance, nor the markets, due to their poverty, and also due to the racism that exists in the country. The uneven land distribution should be added to this complex situation. Under these circumstances it must be very difficult to escape from poverty.
93. On the other hand, government critiques point at other causes for poverty and the growing inequalities that arose due to political factors, like the State’s exclusive and arbitrary handling, which brought about meaningful levels of corruption and illicit wealth accumulation. Finally, the neo-liberal model is pointed at as the main factor for poverty. Even a UNDP report, considers the Structural Adjustment Program applied in the country has been responsible for a grater accumulation of income and that it has been able to marginally be redundant in benefit of the poor³¹. Therefore, it seems feasible to say, “The proposal against poverty”(1998), published by the Vice Presidency of the Republic does, that “the overflow theory did not function”: “economic growth is a needed condition but not enough, to eliminate poverty” (UNDP 2002: 87).

Gonzalo Sánchez de Lozada’s second term in Government (2002- 2003), and the new Dialogue “Productive Bolivia)

94. In face of the numerous critics about the BPRS inoperability, the Sánchez de Lozada Government that took over the government on August 6th. 2002, proposed a strategy reformulation “Recovered a lot from the original BPRS, including the development continuity of a minimum social services floor. The revised strategy’s newness was a more developed

³¹ In its report on Human development in Bolivia, the UNDP define the poor as those who do not have citizenship. Poor is, then, that one whose rights are being taken away by a system that does not allow him/her to be a citizen or whose dignity is denied (UNDP 2002: 185).

productivity proposal". Besides, it proposed "to align social and economic politic efforts towards the accelerate attainment of the Millennium Goals"³² Komives and others (2004. 19).

95. Besides this revision, the government "took away³³ from the municipalities one third of the poverty reduction funds" Tokarsky (2005: 51) and obliged to send 10% of the HIPC II resources to finance the Mother/Child Universal Insurance (MCUI), which replaced the Basic Health Insurance, two polemic measures that confronted the Central Government, and the Municipalities.
96. In reality, the political situation got gradually complicated. In February 2003, due to the people's rejection to a tax on income that the government tried to impose, there were quite hard clashes that left behind numerous deaths. In September and October the clashes were even worse, the people opposed the Government's energy policy, which among others, tried to export gas through Chile. After a greater victims' balance, President Sánchez de Lozada resigned.
97. This situation cancelled the discussion, between the Government and the "civil society" that should have taken place in order to reach an agreement over the revised BPRS. The government, before its fall, tried to have it approved by an international agency, but it was not successful, because the donors asked the government to organize a participative process, in other words, a new Dialogue, which was foreseen by the 2000 National Dialogue Law.
98. To organize this new Dialogue, a Directory was formed, made up of the Central Government, Municipal Governments, Parliament, SCM, Private entrepreneurs, and social organizations representatives, among which, there were peasant and indigenous, and from the Link Committee delegates.
99. After noticing this composition, Komives says that "it is clear that with the MAS³⁴ electoral results, in 2002,, with the protests and demonstrations success and with the intensifying of the relationship among local producers' groups (around the Link Committee) starting with the 2000 National Dialogue, the indigenous and small producers got empowered" (2004: 22).
100. The new National Dialogue, called "Productive Bolivia", started its activities with a pre-dialogue in May 2004. for the remaining of the year, the participants have mainly, devoted themselves to "find agreements and promote to institutionalize social and economic productive strategies with an integral focus that would lead the economic policy and reduce poverty in the municipal, departmental, and national surround, within the intercultural, equity, and inclusion framework" **STD** (2004) cited in Komives (2004: 23).
101. There is an important shift in the poverty reduction strategy; now the productive sector is being privileged, in order to solve problems related to unemployment and lack of income. The idea is to provide the municipalities with complete productivity strategies that would allow the small producers from the different areas to grow creating more employment opportunities. It

³² Bolivia, being one of the first countries in making a poverty reduction strategy, did not aim its strategy towards meeting the Millennium Goals, because in those days (2000) these Goals " did not have the international approval and support it has now" Komives and others (2004: 19).

³³ In 2002 the Paris Club, Bolivia's big creditors, decided to give i tan additional mitigation of around 630 million dollars through 2017, this was called "further than HIPC II". This funds, according to President Quiroga's Supreme Decree, should have been transferred to the municipalities, following the NDL modality. When Sánchez de Lozada reached power, he modified this decree, letting the National Treasury use these funds. For further details see Murillo (2005).

³⁴ In the 2002 elections Evo Morales' MAS (Movement Towards Socialism), a party mainly made up of peasants and indigenous people obtained almost 21% of the electorate vote, very close to Sánchez de Lozada's MNR that got 22.5% of the popular suffrage. See De la Fuente (2002).

is also desirable to elaborate departmental and national productive strategies, which would equally mean a greater empowerment of the productive sectors, particularly of those represented in the Link Committee.

102. The sectors that are taking part in the Productive Bolivia Dialogue have obtained the Government approval of a Supreme Decree “I buy Bolivian” that will favour national enterprises purchase from the State. On the other hand, they have accomplished the creation of an “Indigenous Fund” that would function with public resources, which are not functioning yet. Komives (2002: 22).
103. This third Dialogue had a more meaningful participation; there were 54 pre dialogue meetings, 314 municipal tables, 9 departmental tables, and a national table, with a total of 70 thousand participants.
104. Which will the Dialogue results be? It is difficult to predict, first of all because there is not a final report of the reached agreements, and second because the Mesa government has been doubtful for a long time between supporting the process or rather elaborate a development strategy. For a while, it was thought that he was going for the latter alternative, and the Sustainable Development Ministry presented a document to this matter presenting a Development strategy, however, he was disauthorized to do this, and eventually, he left the government,
105. Finally, President Mesa (in the mist of Santa Cruz power groups pressure, after the making of an autonomic referendum; and of the different social sectors mobilizations, some asking for amendments to the Hydrocarbons Law, and others asking for the oil foreign enterprises nationalization) presented to the country his economic plan “Bolivia Productive and Solidary” which nobody paid attention to. The attention was focus on other things; the hydrocarbons and the regional autonomy struggle. This economic proposal, which recovers a little of the 2000 Dialogue, came about at the wrong time, the May and June conflicts had already pushed the resignation of President Mesa, and the call for new presidential elections in December 2005. The new government, then, will design a new development policy and a new poverty reduction plan, as well.

HUMAN RIGHTS’ ADVANCES AND DIFFICULTIES IN BOLIVIA.

106. In the past two decades Bolivia has made significant advances to in force Human Rights. Recognizing this, does not hide the problems that, in some cases, the majority of the population face, which are huge. Many of the problems that started 500 years ago, still remain in cultural contexts and power spaces sustained by socio economic structures that do not always harmonize with universal ideas such as the ones expressed in the Human Rights Declaration or other similar instruments.
107. In the past twenty years of democracy, however, there has been uneven progress in all the Human Rights field, very significant, in some cases.
108. In the past twenty years of democracy, however, there has been uneven progress in all human rights areas; in some of them these were meaningful, although there is a long way towards a greater enjoyment of **human** condition. It can be said that there are some pointers at the education and health levels that have brought some improvement compared to the past few years, but these are still below the Latin American average. It is also necessary to highlight that from the reestablishment of democracy, Bolivia has registered meaningful civil and political rights compared to the dictatorial regimes.

109. On their behalf, social movements in dictatorial governments struggled for civil and political rights, and concentrated their organization and their defense efforts due to the constant attacks against life, integrity and people's freedom, giving a character to the struggle for Human Rights. Starting in the 90's social movements began to intuitively wear the DESC uniforms, as a way to protest for the current socio economic conditions.
110. It is important to highlight these movements, because there were historic moments, not too far away in time, when civil and political rights, in the name of development they were completely abolished, and ended up as a massive generalized violation of Human Rights.
111. To admit improvements does not mean that every day life for Bolivians is marked by uneasiness. The historic cost of social, political and economic misadventures never understood our cultural and regional diversity or made any effort to understand one another, leaving us with prejudices that separate and polarize us in conflictive situations. All of these added up to poverty and exclusion that the majority of the country has been involved in since the creation of Bolivia, express increasing aggressiveness and lack of motivation. Violence tends to increase, and most radical positions strengthened themselves with criticism that often does not offer alternatives.
112. The making of the first Human Rights report sponsored by the Defender's Office in 2002, methodologically recognizes the need to prioritize four factors to measure Human Rights improvement: national legislation, structural support, public institutions, and social and cultural organizations' behaviour³⁵. This methodology resides being true, it goes beyond some classic pointers to analyze human rights. In spite of the effort it makes to analyze the socio economic aspects, it refuses to go into the access to production analysis and to the material goods distribution, because human rights are a way of life and not simply value stipulations that could be considered foreign to concrete, corporal and material human life. Because, as Hinkelammert says (1990:138); the social production relationships do not only hold the production system, its determination, and its reproduction, but the correlation which determines the world ethical values hierarchy. As we said earlier, we cannot avoid the socio economic model that rules in Bolivia since 1985, and some advances, backward movements or stagnation are not casual.
113. The elements used in the report we share are not considered sufficient, they briefly state that of the four conditioning factors of current human rights in Bolivia, the one that reports greater advances is legislation; that is, the judicial positive attitude of human rights and procedures. The Constitution and Bolivian Laws have gradually caught on with international Human rights norms. According to current legislation, the agreements and international

³⁵ The following are the factors: **legislation**, which makes rights explicit and assign responsibilities. Legislation is the result of a long positive attitude towards human rights, where joint social and personal differences within a nation, just like shared ethic principles' building that aspire to become universal. A second factor, which has to do with the **social organizations and public institutions** functioning. Legislative norms need of a deliberate action that would put them into action, and this is the role of the social institutions and of public policies, whose behaviour is of vital importance. Both factors make up the human rights judicial and institutional conditions to be in effect. Very frequently, analysis and evaluation concentrate their attention to both areas. From the reporting of human rights violations and alterations, the responsibility and the state will is verified, according to its norm and the institutional action that displays, to comply with the acquired commitments with its citizens and the international community. The third factor is related to the material support or economic, commercial, financial and fiscal structure, which allows the State to have resources to accomplish its policies, and it also expresses the population capacity to acquire goods and services in the required quantity and quality to satisfy its needs or aspirations. Finally, a fourth group refers to **culture**, to the every day habits and customs, to the way in which people relate to its natural, social and historic surrounding. The behaviour and values shared by the population have an incidence on human rights crucial aspects, and they also have an influence in the institutions doings and in the creation of what we call material support, the structures and economic relations through which goods and services are produced and exchanged.

treaties require congress ratification through national laws and that would be enough to make them legal, but apparently there seems to be practical discrepancies in the application of these criteria, which brings up the constitutional reform issue. This would facilitate and would force national authorities to apply these norms.

114. Additionally, an ambitious process to reform the judiciary system and other complementary laws has been under way. Laws such as: sentence execution that adjusts the judiciary system to universal principles which demand the presumption of innocence, the right to defence, and the respect to the accused or punished by the penal system person's rights. Along to these norms, some new institutions have been created. If it is true that they have encountered some difficulties in doing their work, in general they have contributed to improve the current human rights situation. Among these institutions, the most important ones are: the People's Defender Office, The Constitutional Court, The Judicial Council, the public defence, also the redefining of the judges, fiscal attorneys, judicial technical police, and other society protection brigades' roles.
115. In spite of this, authorities recognize that, although, legislation is advanced, it is not always enforced. An immediate explanation points at the lack of public resources as the main restraint, but it is also true that there are certain behaviour patterns in government employees and in the population itself that restrict the enforcement of these norms. Therefore, we can say that human rights have a solid legal base, but the public employees do not enforce it, people do not know it, and there are customs and traditions that contradict them.
116. Some problems that limit the respect of civil and political rights and the majority of the social and economic rights can be explained by the weak existing material support in the country. The natural resources, production and distribution of goods and services achievement structural base is precarious. The labour productivity is low, and the needs satisfaction depends a lot from the natural resources and weather conditions direct exploitation.
117. The achieved advances originate mainly in the fact that the State augmented significantly its attention to social services, to rural areas, enlarging substantially, the education, health, social security and basic sewerage coverage. But this process is not sustainable because it strongly depends from the international cooperation. The internal contribution to this project is small, and the population does not seem ready to increase its taxes. It should also be mentioned that the State reduction does not allow it to get involved in sustainable and productive development, which means that the state is applying a priority system in relation to civil and political rights and not to economic, social and cultural rights. In case of social or international cooperation pressure, the government takes advantage and robs money, such is the case of the Poverty Reduction strategy.
118. Out of the four factors that condition the validity of human rights, the cultural one is the factor that shows less progress signs, and is the one that affects the most clearly the possibility of the universal rights enjoyment defined as fundamental to human condition. The recognition that Constitution makes of the Bolivian State as pluricultural and multilingual, should be refrained daily, and to do this, we all have to make an reciprocal efforts to integrate ourselves in an intercultural proposal of valorisation and self valorisation of Bolivia's cultural diversity, promoting more dignifying, equal and fair relations among native people, and the society as a whole backing the development of a new concept of intercultural citizenship.
119. The above mentioned leads we to the need to strengthen the State capacity as a society instrument to exert its obligation to serve its citizens more efficiently. In other words this means; to increase people's capacity to exert human rights, it is important to develop actions that would permit state institutions prop up their transformation (especially in the

municipalities, prefectures, and the judiciary system), deepen their transformation (in education, health and social security) and promote it in other areas that up to date remain immune to contemporary challenges (the police, the university, and the promotion of mechanisms that would enable incorporate new science and technology to the productive activity). But, it is also necessary to recognize that it will be possible to overcome dependency, strengthen and expand the economy with a deliberate action which would recognize that human rights should also be created, and that this process commits everyone, every day.

HUMAN RIGHTS: Advances and difficulties synthesis

Human Rights	Progress index	Problems index
Life (1, 3)	Death penalty does not exist and legislation forbids euthanasia and it regulates abortion under certain conditions and pregnancy periods.	Lynching Infanticide and euthanasia in some communities. Illegal abortion is widely practiced which brings about high maternal mortality. Infant mortality rate is still meaningful.
Freedom (3)	New Legal Procedure Code (NLPC), partly improved the system , eliminating Law 1008 arbitrary actions and judges' discretionary actions	Police abuse Cases overflow in courts, justice delay The NLPC has some procedures that make difficult a Citizens Safety policy efficient application
Security (3, 9)		Police abuse There is significant citizen safety deterioration and a decreasing police institutionalism. It is mandatory to have a new Citizen Safety policy that would include the Bolivian Police reengineering.
Torture and cruel degrading treatment (4, 5)	Mistreatment and violence against people are frequent, but complain reception and processing institutions have been created	The greatest number of problems has been reported in the private sector. Jails, schools, and military barracks also reported problems. According to information given by the Child's Defence Unit one out of seven children is mistreated by adults.
Nationality and Legal Personality (6, 15)	The number of documented people has increased, and the government and international cooperation pay increasing attention to this issue. Procedures have been simplified.	The police and electoral courts have not been able to develop a fast and cheap system to offer documents to everyone. There are problems in the norms execution. Close to 10% of the people do not have identity documents.
Equality before the law (7, 10)	There are greater opportunities to present protection resources: Constitutional Court, People's Defender, public defence, Judiciary Council.	Courts, attorney general, and lawyers reproduce cultural prejudices in their behaviour.
Discrimination (2, 8)	Norms against discrimination have been approved, and institutions in charge of having them executed have also been created.	Behaviour based on etno cultural prejudices still exist, each other's mistrust, especially in labour (hiring), and educational relationships, sometimes disguised as paternalism. (good grooming, appearance, language usage, etc.).

Innocence presumption (9, 10, 11)	The NLCP has improved this right's effective possibility, but the people's protection systems do not avoid this right's vulnerability by third parties (such as the press)	The press,, enterprises and treat suspicious people as guilty . The people accept and exert pressure on the police, attorney general, and the courts reproduce the same behaviour. On extremis they are lynched, that penalize suspects without their right to defence, and it has led to the assassination of innocents.
Privacy (12)	Current norms defend the right to privacy. In exceptional cases, previous general attorney justifiable request, a judge can authorize specific limitations. Housing is inviolable, unless a judge authorizes the house breaking.	An adequate citizen safety system is nonexistent, nor is the existent the sufficient technological resources to protect people.
Freedom of mobility (13)	The government does not impose restrictions to people's mobility, but it frequently unfulfills its obligation to protect it from third party's vulnerable actions, acting only in crisis situations.	Associations and social organizations frequently block streets, avenues, and roads to protest and demand public action, breaking third party's rights.
Asylum (14)	The state has ordinances to grant asylum, but it does not always has the will to act on them. It tends to privilege state actions.	There have been foreigners expelling actions (peruvian and iranian suspects of terrorism).
Marriage and family (16)	The practice of arranged marriage has decreased, and the family has legal protection even when it is established out of marriage. There are new norms against domestic violence and institutions in charge of having them complied.	Legislation does not take into account other forms of marriage, but nuclear and heterosexual..
Property (17)	The legal granting of land ownership to peasants and indigenous communities is going slowly. Illegal land occupations are not always discouraged with public actions, and sometimes they are tolerated instead. There are big landowners that cannot legally justify such ownership.	Sometimes, social organizations promote property occupations. Persons and delinquent groups affect persons' rights.
Thinking freedom (18, 19)	The Printing Law protects freedom of speech and journalists' right to professional secrecy, establishing a special protection (printing court), however, this court has not always functioned.	Newspapers have been denounced of exerting economic pressure (through paid adds), but in general there is thinking and speech freedom. Law 1008 offers restrictive norms, which consider a crime apology to Express oneself against this prohibition, and in the university regulations that forbid its members to Express themselves against autonomy and co

		government. Vertical attitudes exist within social and political organizations.
Freedom of association (20)	The State does not forbid persons' association, it even it has established norms that facilitate the creation of grass roots and non-governmental organizations. Political parties receive economic sponsorship to perform activities within the democratic framework Mandatory unionism, part of the Bolivian Legislation included in the 30's (Busch) is still practiced by some groups (teachers, universities, etc.).	Some companies do not allow unionism practices, but defence resources exist. There are also established unions that do not allow the establishment of new labour organizations.
Political participación (21)	Political participation has increased in number and diversity. There are regular elections. New bodies and types of representation have been created (uni nominal representatives, departmental councils, surveillance committees), norms and court capacity to run fair elections have improved.	Lack of information limits participation.
Social Security (medical care, social services, unemployment sickness, invalid, loss of spouse, and loss of subsistence) insurance. (22)	The health infrastructure has improved through municipal investment (PPL). The long run insurance system has been reformulated increasing affiliation and coverage opportunities. The SOAT insurance to protect pedestrians and passengers from accidents has been established.	On the other hand, the retirement system has generated high cost which has heavily affected the fiscal deficit; therefore, limiting the State capacity to serve the needs of excluded from the system groups that were reserved for salaried workers.
Employment (23, 24)	Labour legislation is advanced , but it is not enforced in the majority of the labour market, because the majority is self-employed or in the working family framework The State is tolerant of people using public property for working for need or subsistence (streets, avenues, etc.)	Structural: The market is reduced and there is a culture of under consumption that limits it. Entrepreneurial: There is a low investment, and technological innovation capacity, there is also low competitively and a high State actions dependency.
Basic consumption (nourishment, clothing and housing, basic services). (22, 25)	Malnutrition has gone down, and the nutrition conditions have improved due to the inclusion of micro nutrients to fight specific problems such as: goitre, anaemia, and blindness. Housing policies did not have a	Market exclusions "No need" culture (precarious consumption: used goods, endless repairs, small scale, personalized relationships, low packaging use, etc.).

	<p>positive impact; the majority of the people solve their housing problem autonomously.</p> <p>The provision of public services has gotten better: better water coverage, electricity, sewerage, and telephones.</p>	
Education (26)	<p>The educational system coverage has increased.</p> <p>There is a education reform on its way, that is supposed to improve the quality of education.</p> <p>Technical education receives little attention.</p> <p>The universities take up a large proportion of the budget and they assign it in an autonomous manner.</p>	<p>There is not a fair resources distribution: elementary rural education receives a lot less money, per student, than a university one, and this is determined by differentiated social pressure capabilities, rather than by pedagogical criteria.</p> <p>Some families discriminate girls, considering that education will be less advantageous to them.</p>
Special care for children and mothers (25)	<p>The Health Basic Insurance was created, and it was enlarged with the SUMI.</p> <p>Special police Brigades were established to protect mothers and children.</p>	<p>Municipal reticence to invest resources in this insurance. Scarce benefits and possibilities diffusion in the most needed population.</p>
Community (28,29)	<p>There is a new legislation that recognizes community organizations for political participation at a municipal level, and for certain territorial control acquisition (TCOs).</p> <p>Bilingual intercultural education has been incorporated to the educational reform.</p>	<p>The legal title to property distribution advances very slowly.</p> <p>There is no improvement in the positive attitude towards customary right (it still is oral and congressist, breaking legal systems).</p>
Art and science (27)		<p>There are no intellectual property protection mechanisms.</p> <p>Artistic activities support programs are very limited.</p> <p>There are no scientific advancements social achievement policies, and there is very limited scientific activity stimulus.</p>

IRUPANA

120. The reason why it was decided to work in the Irupana Municipality, falls back mainly on two criteria: the first one is related to the peculiar agreement characteristics among all the actors involved in the municipality development building process, and the Irupana Municipality. All of them with a positive attitude, this process has the greatest attendance of peasant organizations, which traditionally had been marginal and excluded. This process acquired greater impact with the passing of the Popular Participation Law. The second criteria, was related to the logistic support disposition, for authority, leaders, and municipal representatives interviews, and the information offered to be given, for this purpose, by the Qhana Centre.

121. In this sense, a series of semi structured interviews were organized, which ranged from recently elected municipal authorities, leaving authorities to the most important organizations leaders, such as: Federación Regional Única de Trabajadores Campesinos de Irupana FRUTCI, Federación Regional Única de Mujeres Campesinas de Irupana FRUMCI, its economic branch; the Corporación Agropecuaria Campesina CORACA Irupana, which gathers all the communities in the municipality. We also interviewed grass roots representatives, and urban area neighbourhood councils³⁶.

Irupana Municipality description

122. The Irupana Municipality is part of the paceño Yungas located in the oriental Andean Mountain Range borderline and its characterized for having steep narrow parallel mountain ranges, its made up of small warm humid valleys. The word Yungas comes the Aymara native language, and it means “hot land”. According to Agustín Morales, it comes from a palm tree specie which is known in the region under the name of “chonta” in Quechua, another native language, or “yunca” in Aymara.

123. The town of Irupana was founded on July 25th. 1746 by the Tagle and Mendoza Counts, under the name of Santiago de Irupana, and was created by a 1899 Supreme Decree. This municipality is made of 92 communities, divided in two main regions, clearly different due to their socio cultural and agro ecological characteristics, these are: The **Irupana** sector comprised by five cantons: Victorio Lanza, Chicaloma, La Plazuela, Laza, Irupana; and the sector **Illimani**, with four cantons: Lambate, Taca, Parihuaya and Tres Ríos. The development proposal that was implemented in the Irupana Municipality focused on the Irupana sector, and recently was extended to the Illimani sector, therefore there is an uneven growth in both sectors.

124. This area was declared by the Bolivian State as a traditional coca production zone, in other words the coca produced in the area is not illegal as it is in other regions of the country (coca production and trade is regulated by 1008 Law)³⁷

Population demographic characteristics

125. The Southern Yungas province had 40,970 inhabitants in 1948; about 25,900 aymara indigenous, 12,700 whites and mestizo, 1,000 blacks brought from Africa, and 1,300 jungle copper coloured. According to the 1993 census there were 51,930 people distributed in 291 communities and main towns such as: Irupana, Chulumani, Huancane, La Asunta, and Palos Blancos. The last census of 2001 made by the National Statistics Institute NSI, gave a total of 63,544 inhabitants in the whole province of Southern Yungas, 11,383 inhabitants in the Municipality of Irupana out of which 6,104 are men, and 5,279 are women, with a negative growth rate of -0.51.

³⁶ Clemente Condorena: Irupana Mayor and former CORACA leader; Natividad Llanos y Javier Salgueiro: Former Mayors and peasant organizations leaders; Eloy Mita: FRUMCI Executive; Javier Lizón and Surveillance Committee members; Aleja Vera: Current Municipal Counsel and former Women's Federation Executive; Ángel Yupanqui, Salome Mayta, Mario Quiroz and other FRUTCI/FRUMCI highest directory members and CORACA important members. Machacamarca and Thiahuayrapata grass roots community representatives and finally, Mario Moncada: Irupana Civic Committee representative, and the neighbourhood councils' presidents.

³⁷ This legal instrument regulates coca commercialization forms, and it regulates its price, it is possible to grow up to 12,000 hectares of coca in the traditional region of the Yungas.

126. The “La Paz Foundation IV centennial” document published in 1948, considers whites, mestizos, aymara and quechua indigenous and blacks as typical inhabitants. The later ones were brought from Africa as slaves starting 1600 to perform the hard work that required special endurance to maintain the plantations which were located in hot and insane weather regions. They adapted and reproduced themselves. Slavery was abolished under the government of Isidoro Belzu (1848-1854)³⁸.

Socio economic characteristics

a) Education

127. In general terms we can establish that education has improved starting since the Education Reform implementation, although this effort concentrated on Formal Primary Education, and it did not change the absenteeism, repetition and drop out levels that affect children and adolescents of both sexes, and the school population that live far away from the towns where the multi level schools are located. These schools offer education up to fifth or eighth grade.

128. Two situations outstand: on the one hand, the implementation of Municipal Educational Programs (Programas Educativos Municipales de Educación, currently called PROMEs, linked to the Municipal Development Plan - MDP), that allows a more systematic action from the Municipal Government, acting jointly with local area representatives. On the other hand, there is support offered by the Pre-school, Primary and Secondary Education Vice Ministry’s Education Quality and Equity Strengthening Program that include the infrastructure financing, equipment provision and pedagogical processes.

129. Alternative Education offers training opportunities through the Qhana Centre and CETHA³⁹. This later one is considered the Men and Women’s Federation’s education branch FRUTCI /FRUMCI and CORACA Irupana, because the technical education themes are geared towards Municipal Management, Peasant Economic Organizations Management, and Agro Ecology for community and this Municipality urban area youth and adults (men and women).

130. The fact of having a large number of Multi Level Educational Centres and a few Secondary Schools, determines a population concentration in some Centres where students commute, move in with relatives or rent rooms. There is a 13% global increase in registration fees; not taking into account Secondary Level that has a low registration fee (22.5%).

131. The constant marginality rate reaches 23%. Forty, out of the forty nine existing Educational Centres in the municipality, cover from preschool through sixth grade of Primary Education (with 80% of multilevel schools), six centres through eighth grade of Primary Education and only three that have Secondary education.

132. The CETHA had a Primary and Secondary education registration of 247 students (132 men and 115 women), and 136 students in the Technical Education centres (88 men and 48 women). It is important to point out the number of urban and peasant women enrolled in the CETHA.

³⁸ This document highlights the racist and discriminatory current nature (1848). It mentions the following, “*The black from the Yungas has an inherited liveliness; but instead of putting it into constructive deeds, they distort them due to their ignorance and act destructively with their false welfare interpretation. They are lazy, glutton, likes to steal, and lies while chats endlessly, they like to eat dry meta, hardly cooked, at every break while working, along with the Indians, in the coca field. They hate the indigenous people because they belong to a different God, they walk quietly chewing their coca leaves*”.

³⁹ CETHA: Irupana’s Agricultural and Livestock Humanistic Technical Centre.

b) Health

133. In terms of health, Irupana has one hospital with 20 beds and 8 sanitary posts, however, the limiting current conditions in these centres, worsen the rural population accessibility problems, because of distance, transportation means, poor road conditions and the lack of information about the Basic Health Insurance. This situation in addition to the high and little access to medication, leads the population to mistrust or ignore formal medicine, pushing them to resort to traditional medicine for their health care.
134. There are endemic diseases in the Yungas region such as, tuberculosis and leishmaniasis, which increase the disease and mortality rates, decreasing the labour force potential, which has an incidence in poverty.

c) The children and adolescence problem

135. In general terms, the children and adolescence situation, has been characterized by:

- The critical situation of this vulnerable group is determined by the lack of public policies geared to prevent threatening situations against children and adolescents' rights and the poor handling of these groups' needs, in terms of Human Development.
- Nor exist operative mechanisms to accomplish the national normative. In the Irupana case, there was not a Children's Defence office until 2001, in spite of being a Municipal Government responsibility, according to a law passed in 1994.
- The community, family and authorities ignore and depreciate children and adolescents as beings with rights and responsibilities.
- There is a lack of educational space that would enable children and adolescents develop processes geared to the acquisition and practise of their human rights in their immediate context. There is also a limited recreational activities and a lack of motivation to develop their creativity.
- Labour exploitation is quite common among peasant families, who consider children an important labour resource, in spite of their positive capabilities; they reach exploitation and mistreatment situations, which become a reason for school dropout and a limitation in access to their age creativity activities.
- There is not an exact figure that would enable us to know the size of this problem. It is common in the Yungas, and particularly in Irupana, to see short age working children who come to populated centres from rural communities. They perform their work in exchange for room and board, in a non paid familiar setting.
- Physical and psychological abuse is another high incidence problem in our country. An investigation made by the DNI⁴⁰ in 1998 plus other studies show that nine out of ten children are permanently psychologically abused, and six out of ten children are physically abused, being the family the first and the school the second mistreatment setting. Irupana is not an exception to this situation.

⁴⁰ DNI: Children and Adolescent International Defence, in Bolivia.

- There are not exact figures in Irupana that show an official registry of births, this is because of a lack of accessibility to the health system, which is a problem in all small cities and in the rural area in the country. The infant mortality rate is of 66.1 per thousand born alive, which is higher than the national rate of 55.6 per thousand born alive.
- It is also known that unmarried parents have a larger number of unregistered children. They refuse to legally recognize their children and/or postpone the registration in the Civil Registry, therefore there is a large amount of children that do not have birth certificates and cannot exercise their other rights.

136. Up to the year 2000, the Municipal Development Plan and the Yearly Operative Plan did not have any policies geared to protect an integral children and adolescent development, with a few exceptions proposed in the national referred areas policies framework.

d) The productivity strategy

137. After 1952 the Agrarian Reform, the land ownership system was substantially modified. Peasants that depended from the haciendas were given parcel of land of different agro ecological potential, and in a more or less fair way in terms of area. On the average, in surrounding towns areas and/or old communities, the area per agricultural unit given was 6.7 hectares, out of which approximately 44% is farmed, 25% is resting land, and 31% is unproductive land.

138. The predominant traditional plantations in Southern Yungas are of perennial kind, which occupy up to 86% of the farmed land, mainly producing citrus, coffee, and coca. Although plantain, yucca, corn, vegetables and tubercles are farmed, their production is part of the family diet, because of the impossibility to reach the existent markets in a competitive fashion and with a reasonable profit margin. Coca is the most important crop in terms of local peasant economy. Although, the starting production cost is high, especially hand labour, once the crop is going, it has three harvests per year for approximately thirty years.

139. The agricultural product final destination varies according to quantity, the market distance and the producer participation in the process. The majority of producers produce for self consumption, a large number produce to sell or exchange a small part of their production. It is also very common among producers to combine modalities; self consumption and retail; self consumption-exchange; retail-exchange or all the above.

e) The marketing system

140. The agricultural and livestock process finds its main bottle neck in the marketing and physical access to larger and more important markets that would absorb local production in fairer economic terms. One of the main problems is the current poor road system, blocking the inhabitants and potential productivity transit.

141. In terms of the required infrastructure for product marketing (silos, refrigeration systems, etc.), this is practically nonexistent, except in some coffee plantations that would allow established economic agents (private and the OECA⁴¹) make local products primary transformation.

⁴¹ OECA: Peasant Economic Organization, which could be a Cooperative or CORACA.

142. In the Yungas region, as well as, in the rest of the country, there is an excessive number of middlemen, between producers and consumers in the agricultural and livestock products marketing process that distort trade conditions negatively and disadvantageously. The number of middlemen for regional traditional products varies according to productive centre closeness to the market, and to the kind of product⁴².

Stages involved in the building of Irupana's Municipal Development Program

143. One of the most important differences between the Irupana municipality and the other ones in the region, and was a meaningful reason why we picked this municipality as base for this work, is the fact that the peasant communities, starting in 1981, hegemonies the building of a development proposal with the support of the Qhana NGO. To build these development strategies and policies a three stage process was created, which are described in the following paragraphs. This started with the gradual acceptance of the Qhana NGO, to finally obtain the proposal gradual empowerment by the peasant communities and other population sectors.

Communitarian Education and the Democratic Reconstruction

144. The development process between 1981 and 1989 had the objective to apply non formal educational methods and systems in the Irupana Municipality communities, as well as to generate new inter and intra community relationships capable of re-establishing their social and organizational relationships. Thus, helping modify their peasant exploitation and dependency relationships, and making possible its active participation in national and regional life. The achievement of these objectives set the basis for the conceptual and organized construction, joining and empowering the development and strengthening of peasant organizations.

145. The socio political work environment was characterized by the relationship with the organized peasant sector and its need to face an instable institutional and political context created by the facto regimes. The idea to support the peasant organizations strengthening so that they could define their historical role and political actions, was the backbone suggestion that permitted the conceptual base building for the development proposal. By then, such action had the specific role to lead actions towards the productive environment, as it can be seen in the mature experience creating the Irupana Regional Peasant Agricultural and livestock Corporation, in 1985.

146. In summary, the peasant organizations non formal education, strengthening concepts convergence and the production dynamism in a geographic area such as the Yungas, were the strategic basis that later on would be the Irupana Municipal Development Program main components.

147. As part of the educational proposal, the Peasant Training and Formation Centre was created, whose identity and penetration in the peasant world was done through radio programs, based on communication techniques adjusted to the historic moment and to the permanent need to involve peasants in the agrarian development dynamics. At this stage, peasant skills were developed based on the application of transmission of knowledge techniques. An educational dialectic methodology was proposed that starts from peasant praxis at production,

⁴² In the case of coffee, there are seven identified middlemen between the producer and consumer who absorb between 12 and 18% of the total income. In the case of citrus, there are between one and three middlemen who take 75% of what the consumer pays, this happens partly because of loss and costs involved in the products transportation to the market.

organizational and cultural levels to think over such reality, linking theory and praxis to go over it with new input and new proposals.

148. This period was fundamental in the sense that it consolidates the Qhana NGO link with peasant organizations through the productive issue, and at the same time, gender and generation postulates, base for human development, were introduced for the first time. It is also made more explicitly the need to revalue the Andean culture.

Changes in Democracy and Sustainable Development assimilation

149. From 1990 to 1999, the country as a whole, and the agrarian dynamics in particular, face new challenges that arise from a series of State proposals passed through Republic laws such as the following: Popular Participation (1994)⁴³, Decentralization (1995), National Agrarian Reform Service (1996), Municipalities (1999), and proposals made by the peasant indigenous movement itself, proposals and claims related to land and territory, to the creation and strengthening of every town's cultural identity genuine representative organizations which would also rescue and defend every town's cultural values and their access to basic collective rights, rejecting structural adjusting policies and coca enforced eradication.
150. The Irupana Municipality was not immune to the changes proposed by the legal system and to the indigenous-peasant claims, which led to adjustments in the educational communicative program based on three lines of action: denouncing all the popular sectors human rights violations; supporting the popular organizational process and revaluing popular culture, where organizational aspects, the environment, and gender were considered as transversal problems. This was the framework that set the educational system; around a production integral development, ecological preservation, participation, inter cultural awareness, communication and new actors' recognition.
151. In the organizational area, a strategic proposal with political-organizational content was drawn which was related to the self-management that had been proposed. The Yungas 2000 Program was designed and implemented with the participation of many Yungueño organizations gathered by the Yungueña Pastoral (Radio Yungas, ICMY, EMAUS, UKAMAU Credit Union, CETHA), as a response to the Alternative Development Program, mainly financed by the United States of North America Government, which main objective is the coca substitution and eradication.

The Process at the end and beginning of the XXI century

152. At the end of the 90's and beginning of 2000, the self-management and political and social organizations' sustainability was strengthened, facing other challenges related to growth and economic productivity diversification. At the same time, fair distribution was consolidated, and the yungueño identity strengthened so that the peasant families could improve their income through an ecological agricultural production system. This system was able to integrate productivity, self-consumption, marketing, changes, productive safety, production base protection, and conservation.

⁴³ The Popular Participation Law recognizes, promotes and settles Popular Participation, coordinating indigenous communities, indigenous towns, peasant communities, and neighbourhood committees to take part in the political, economical and legal life of the country. It tries to improve the quality of life of the Bolivian people with a better public resources distribution and management. It strengthens the needed political and economic instruments to perfect representative democracy, incorporating citizens' participation in a participative democracy guaranteeing equal men and women representation levels.

153. A three districts Irupana Municipal District Development Committee was established: the Municipality represented by the Executive, the Municipal Council and the Surveillance Committee; the Civil Society represented by the Peasants' Federation (male and female), and CORACA, its economic branch and the Civic Committee, both groups with the right to voice and vote. The third sector is represented by institutions or NGOs that work in the Municipality, which work as advisors and/or process facilitators. They take part in the Committee only with the right to vote.
154. This Committee's objective is to coordinate the actors, main municipality authorities, and institutions that work for this municipality development. The Development Committee reached consensus to boost the Municipality of Irupana Sustainable Human Development Program, in 1998. It tried to coordinate this program at a provincial and departmental level, however, intermediate ranks such as the Under Prefecture and Prefecture were not able to become these instances' a coordinator and facilitator.

The Bolivian Poverty Reduction Strategy and the Irupana Municipality

155. The Yungas region in the La Paz Department has high poverty level municipalities such as: Apolo with a poverty of 95%, La Asunta with 93%, and Irupana with 82%, see chart No.1 (population with moderate poverty, indigence, and marginality) for greater detail. This is sustained by the different socioeconomic rates pointed out in these charts.
156. It is important to point out, in spite of the positive discrimination by assigning greater HIPC resources to high poverty level municipalities; the socioeconomic rates are not significantly modified. For example, the Apolo Municipality receives from HIPC funds close to 765 thousand American dollars annually, and Irupana receives close to 182 thousand American dollars. Both municipalities have similar populations (13,271 and 11,383 inhabitants, respectively). The HIPC resources are not the only factors of influence in the above mentioned rates, but we want to outline that in both municipalities having high economic potential, in a coordinated and active environment, the HIPC and co participation along with other funds could have a high socio economic impact, like in the Irupana case.
157. It should be pointed out that in the Irupana case, the municipal authorities along with the CORACA, have made a joint proposal to participate in the Dialogue tables at a departmental level, emphasizing productive investment, not disregarding the social aspect, because this is of sectorial normative application, education and health. After this first experience, the municipality representatives did not have an active participation in the Link Committee, arguing that the small municipalities' proposals were not worth taking into account, in spite of being good ones. Therefore, they worked on their local projects concreción.
158. The prioritized, boosted, and agreed upon projects have been geared towards local road infrastructure, trying to empower the productivity apparatus and generate better production flow conditions, marketing, along with other regional services. Thus, this municipality, to this purpose, has a heavy equipment and machinery pool, which was requested and acquired by local organizations. Without a doubt, the most benefited from this initiative has been CORACA Irupana, and the families that comprise it.
159. In spite of the above, the positive discrimination in the HIPC funds distribution to the municipalities does not always apply. An example of this is Irupana, where the Illimani area, which is one of the poorest in the municipality, received the least HIPC resources, and the Irupana sector was more privileged in this distribution.

The International Cooperation role

160. From the beginning, the financial support from international agencies such as: Frères de Hommes from Belgium, Pan para el Mundo (Bread for the World) from Germany, and afterwards, Xunta from Galicia (Spain), created suspiciousness and unmeasured expectations. The process depended for a long time on international cooperation agencies' resources through institutions such as: the Qhana Centre, and other national counterparts such as: municipalities and development funds, which gradually joined the process.
161. The relationship among international cooperation agencies and local institutions was based on principles convergence which generated co-responsibility spaces and transparency reflected in the proposal building process, in solidarity and in cooperation for development, all the above, pressured by a growing developed countries donors demand for knowing about the destination of their economic donations. At the same time, there was a need and search for a more efficient use of resources channelled through NGO's. An equilibrium and appropriate flexibility point was found, taking into account that a new experience was underway, which although it took some time, it got closer to the expected objectives.
162. Going over the described periods, we can see that the utopia of strengthening peasant organizations for self-management and self-determination in the social, political, economic and cultural processes can only be reached through a conscientious and active participation in the urban-rural society's transformation, maintaining and deepening the educational and popular communication process and joining national and international ONG's efforts.

Process Achievements and Difficulties

163. The democracy strengthening through economic, social, and political peasant and grass roots organizations participation has been one of the most important development proposal endeavours, currently led by the Development Committee, achieving participative planning, the total Municipal peasant councilmen support, and the communities' access to the decision-making process of the Annual Operative Plan, and the Municipal Development Plan.
164. The establishing of a coordination dynamic among all of this Municipality actors, has set the basis and generated significant advances in this Municipality Integral Development, becoming the Development Committee a space for analysis, thinking over and decision making of the main regional issues, along with all the political, social, and economic municipal actors. Although, it is important to mention that this instance had ups and downs in the accomplishment of these objectives, mainly due to political and social reasons.
165. It was proved that organized participation has given as a result a peasant self-management process, not only in terms of the managerial handling, but in terms of establishing integral sustainability in the building of development. The local human resources training process for a better and greater CORACA Committee on Control and Supervision participation has been quite important, and has also been useful for the indirect Irupana Municipality's Surveillance Committee strengthening through trained human resources. In spite of all the above, the Social control in the Municipality as well as in the CORACA is still weak.
166. Without a doubt, the greatest accomplishments have been related to the CORACA Irupana organization establishment and consolidation, setting encouraging results. Among the most important aspects of this experience, we have the incorporation of fresh resources of as equal or greater amounts as the municipal budget, not only because of the coffee activity, but of the elaboration of processed products derived from honey, fruits, amaranth, peanuts as well as

other services such as: the consumption store, the peasant shelter, and a gas station. Likewise, the economy of other sectors was also strengthened such as: transport, commerce and other services, benefiting the peasant communities, and the urban area.

167. The marketing of coffee, through CORACA Irupana, to the Fair Trade, has obtained a more equal and fair coffee business profit, which brought about a chain effect encouraging this organization's economic diversification. With this achievement, local economic development has moved ahead significantly, with the support of North organizations, that promote Fair Trade at an international level of agro-ecologically products produced in developing countries, it meant a fundamental role in this process, which is only geared towards small producers' organizations, which have to comply with social and ecological norms, for example, the families' obligation to send their children to school, if the contrary or children abuse is proven the economic support is removed.

168. As we mentioned in the background section of this work, this proposal was worked in the Irupana area, and not in the Illimani sector which is less developed: socially, politically and economically, and it comprises about 35% of the municipality population. This is the reason why the Municipality socio-economic figures do not reflect both areas situations. Currently, synergetic efforts to achieve Irupana's local capabilities are being made to obtain the whole Municipality integral development.

169. If the socio-economic data⁴⁴ were revised, such as the Recent Net Migration Annual Rate, or the Unfulfilled Needs Rate or the Irupana Municipality Human Development Rate, it would be difficult to understand how much it has been advanced in the Irupana sector compared to the Illimani sector. But if one takes the Illimani sector into account, one could understand this data, considering the big differences between the two sectors, from their production potential to their socio-cultural, political and agro-ecological characteristics.

170. In relation to women participation in the municipality development process, at peasant family and union level, the advancement has been very slow, in spite of the efforts made, in order to generate conditions for a more active women participation. Due to the following:

- ✓ The overloaded productive and reproductive responsibilities, it becomes very difficult for women to participate more actively in the educational processes.
- ✓ Subordinate to the male decision through some excuse to somehow block the women's attendance to formation and training sessions
- ✓ The women's low self-image level, makes society as a whole (urban and rural) to not value women's contribution at all levels.

⁴⁴ Main Municipality's Data (based on the 2001 census)*:

▪ Irupana population (2001 census):	11,383 inhabitants.
▪ Irupana Population (2004 projection):	11,507 inhabitants.
▪ Moderate Poverty Population:	5,414 inhabitants (48 %).
▪ Indigent Population:	3,910 inhabitants (34 %).
▪ Demographic density:	11.44 inhabitants/Km ² .
▪ Fertility Global Rate:	4.4 children.
▪ Child Mortality Rate per thousand:	66.1
▪ Recent Migration Rate per thousand:	- 6.5
▪ Illiteracy Rate:	18.1 %
▪ Real Per Capita Income:	380.- \$us.
▪ Human Development Index HDI (2.004):	0.58

* This data would probable be better if it were updated to 2004.

171. In spite of the above, in the process last stage there have been meaningful advances, mainly at their organizations women leaders' levels, as workers, as leaders, or authorities. The Women's Federation and the CORACA Irupana have contributed with important women leaders with productive economic, political organizational and union formation. These women have been elected Irupana's Municipal Council authorities with remarkable outstanding performance as such. This situation has given women more confidence and motivation to succeed in the formation of leaders at communal and regional levels.
172. The Development Program helped to the creation and functioning of the Child and Adolescent Defence Office at a municipal level. In the process' last stage some meaningful changes took place, for example, parents called for a municipality general meeting where they requested the stay of DNI, which was in charge of spreading the child-adolescent law in the school system, creating unpleasant situations for parents, teachers and for the educational system as a whole. It was important to have whole families and educational personnel participating in this analysis and spreading of these rights. This is, without a doubt, one of the endeavours that require the greatest attention and authorities and adult population effort.
173. Throughout this process, the Qhana Centre was able to establish alliances with the Irupana Municipal organizations, international cooperation agencies, and the catholic church in order to carry on the 2000 Yungas Project, based on the above mentioned principles. The Qhana centre joins the Human Rights Declaration established by the United Nations, in correspondence to the democratic postulates, and to citizens' rights that practice and inculcate to be exercised and deepened. Considering that the people's development can only be reached peacefully. Being this the main good preserved in this process, considering that one worked in a permanent conflict risk and threat to human rights violation zone.

Future Challenges

174. From the above, one infers that maturity was reached, but the challenges the y presently face are complex and matured to be worked on in the future. It is necessary to propose the maintenance and deepening of the process based on the conceptual and practical elements developed in this experience, taking into account the reality of the upcoming years and of the real actors involved in it. This proposal requires to be worked on through definite municipal policies drawn based on experience, and proposed in terms of the following challenges:
- The improvement of the previous work done
 - The conditioning to the current rural development tendencies.
 - The search of greater sustainability and self-management levels in the different institutional organizational processes.
175. The improvement of the previous work done is suggested, valuing the gained experience in order to launch the process with the values and socio-historical contents accumulated so far. At the same time, the idea is to recondition and combine the social and production traditional cultural patterns with the technological and market dynamics. In order to accomplish this, it is necessary to rescue and systematize the local advances and accomplishments. This systematization process could be done organizing themes according to: culture, production projects, systems of production, training methodologies, quantification of trained human resources, building a spreading material inventory such as production booklets among others.
176. It is also necessary, based on gained experience, to take into account that every conditioned development proposal such as the coca plant eradication program is destined to fail, due to the following: it will not have organized participation, some peasants will accept conditions

due to varied circumstances such as the poverty they live in, bringing about tension and division, besides being an anti-democratic proposal which generates violence, blackmail, and attempts against elemental human rights.

177. It is recommended to re-apply the experience in other municipalities in the area, developing communicational instruments, showing the process objectively with all its advances and limitations.
178. It is suggested to strengthen municipal management, with the objective to train larger renewable human resources, to make the process continuous. The accelerated search for current and future beneficiaries sustainable and self-management levels, represent the application of sustainable development concepts to the rural problem. This integral focus has the purpose to develop the technological-production, socio-organizational, and economic-political municipal capabilities.
179. In the current national and international context, the peasant families market their products in adverse and disadvantageous marketing conditions. Their low product competitiveness compared to neighbouring countries, where products are subsidized and supported by financial and non-financial services, generate disadvantageous and disloyal competitive conditions. There is a lack of control of products that enter the country or simply the existing importation laws are inoperative. Therefore, it is important for the peasant sector to propose public protective to their agricultural products and marketing policies.
180. The economic-political capabilities development means production actors' involvement in the public policy decision making process, in order to articulate state supply with social demand for production, in order to enlarge the impact and benefits of the developed productive efforts.
181. Likewise, it would be important to boost again; the spread, the discussion and human rights applicability, human development, and democracy.

CONCLUSIONS

182. In Bolivia, from the beginning of the neo-liberal economic model, a continuity in policies with a macroeconomic focus that tried to reduce State involvement, and tried to give more importance to the market and to local and foreign private enterprises have been noticeable. Precisely, to attract foreign companies, national laws have been modified, a series of bi-lateral protection to foreign investment agreements have been signed, and United States and Europe positions in international forums are being accepted.
183. These advantageous to private enterprises policies, mainly foreign ones, this respect to property rights, this ideology to grant such companies the role of the economy and national driving force, have not obtained the expected results, which were to reach important sustained in time growth rates, to generate employment and to reduce poverty. On the contrary, The situation has gotten worse in many ways; if we give credit o the Gini index, inequalities and poverty from an income point of view have increased.
184. The different governments, from the beginning, have been aware of the social cost involved in the implementation of the neo-liberal model. This is the reason why some measures were taken, mainly under international cooperation pressure, specially to reduce, in some way, the negative model impact.

185. It is worth looking into the international financing institutions, the international bilateral cooperation and other cooperation organizations' roles. Bolivia, for a long time, has received official help for development. Very important help, which represents 10% of the national PIB, in neighbouring countries this help does not reach 1% of their PIB. The precarious Bolivian public financial situation makes the government to continue accept and follow the conditions imposed by these international entities.
186. Year after year, the country, through negotiations with these international organizations, has been accepting the implementation of economic policies, which among others have meant the privatization of public companies, the dismantling of international commercial barriers, opening the national market to international products, the retirement system reform, and the beginning of making the labour market more flexible.
187. But, in the past few years, the international cooperation has pressed the governments to implement social policies to palliate the negative neo-liberal model impact. These policies, as we have seen them, have not been as consistent as the economic policies. On the contrary, all the governments have tried to give a mark of their own to these policies, unfortunately, these, due to these continuous changes have not been satisfactory.
188. What presents certain continuity is the government effort to increase and maintain social investment, this as a result of the will to increase education, health, and other basic services' infrastructure, that were long time ago due, especially in marginal neighbourhoods and in rural areas. The desire to make basic services more accessible to a larger population has been relatively successful, and the poverty data, according to the unfulfilled basic needs index, show a relative decrease in the quantity of poor people. These programs have sometimes used the human rights language, for example, the Ministry of Health in several of its publications has considered the access to health as right that every Bolivian has, thus, it has proposed policies geared to the accomplishment of this right. Such is the case of health insurance implementation, still limited to the "vulnerable population".
189. Another right, been advertised, is the citizens' participation in the making of public policies, although without an explicit reference to a rights system recognized at an international level. Participation is introduced at the same time as decentralization starts, via municipalities. It is a limited participation that took place in the municipalities from 1994 to 2000.
190. This same year, once again, under international pressure, a National Dialogue is organized, which results were supposed to reflect a strategy to reduce poverty. Unfortunately, the attendance to the Dialogue was limited due to its contents. Even worse, the BPRS elaboration did not even have this limited participation, and it was made by consultants, government officials and donors. This situation makes these people "owners" of the strategy, rather than the rest of the population, especially important political and social national actors.
191. It is worth asking ourselves, why the government acted the way it did. A hypothesis is that the Bolivian political elite do not consider civil society as people with rights. Some sectors and organizations, such as the small producers, which are mostly made up of indigenous people, are still look down on. Authoritarianism, elitism, and racism still have strong influence in the making of public policies, in spite of, the participation, dialogue, and the social control mechanisms implementation testimonies.
192. However, the agreements reached in this participative process, 2000 Dialogue, although limited, were not fully excluded from national public agenda. On the contrary, its outcome, due to civil society mobilization, translated in a Law of the Republic: the 2000 National

Dialogue Law. A law that regulates the use of HIPC resources, it institutionalizes the Dialogue (it should take place every three years), and creates Social Control Mechanisms (SCM).

193. The population participation was totally a waste; this right is being worked on. The calling for the making of the third Dialogue “Productive Bolivia” is another sample of the people’s capacity to exercise its right to participation. In the last few years, massive social demonstrations have taken place, demanding authorities’ attention to consider their points of view, claiming that political parties and government authorities should not be the only ones drawing public policies.
194. This situation, more conflicting every time (it has made two presidents resign), is showing a struggle for power, between those elites that have always governed Bolivia, and own the majority of the country’s wealth, and the new upcoming lower rank elites that claim for a new power and national wealth distribution. These are encountered political positions, between the ones who defend the neo-liberal model, weakened by now, and those who propose a another development model, without a clear idea of its nature.
195. Another right that has a lot of limitations, is the people’s right to demand greater transparency and authorities accountability. The Surveillance Committees, in many municipalities, are making authorities to act more transparently, informing their electorate about their actions. In some others there still is a long way to go for the Surveillance Committees before they function appropriately. The SCM are not functioning appropriately at either national or departmental levels. Effort to improve this situation at these levels should be greater.
196. Respecto a las posibilidades de seguimiento y evaluación de las políticas públicas relacionadas con la lucha contra la pobreza, tampoco se ha avanzado mucho, aunque en estos últimos tiempos se han elaborado indicadores que permitirían hacer un seguimiento del avance (o retroceso) hacia el logro de la Metas del Milenio. Sin embargo, estos indicadores lo único que muestran son estados de situación y no permiten examinar los procesos, ni las causas estructurales de la pobreza.
197. Institutional weaknesses are quite remarkable. The State, after 20 years of implementing the neo-liberal model, has lost a great deal of resources coming from public enterprises such as Yacimientos Petroleros Fiscales Bolivianos (YPFB). On the other hand, the State has weakened even more due to a policy of political parties’ alliances that led to a “government posts partition” and a public apparatus “sacking”. Finally, the nepotism “client” practices, rampant corruption, have led to the population complete loss of trust in its institutions. Under these conditions of economic and working instability, and institutional mistrust, it is impossible to carry on coherent poverty reduction public policies.
198. Even less, when one does not have an agreement over the definition of poverty or what causes it. Antezana (2005: 145 and ss.), shows well the existing differences among the authorities that lead the State. These differences also exist among international cooperation members. Let’s not forget that it was very present in the 2000 and 2004 National Dialogues planning and at the actual dialogues, in the making of the BPRS and in its formulation, which has not finished yet.
199. How can we get out of this impasse? How can we get institutional reengineering? How can we reach agreements among the country’s economic political and social actors? How can we lead the country to a better wealth distribution and reduce poverty? These are questions that keep the Bolivian population at unease and the answers are not easy to find due to the big polarization the country is immersed in. The December presidential elections and next year’s Constituent Assembly hopefully will be proper stages to find answers to these questions.

BIBLIOGRAPHY

- ANTEZANA, Oscar (2005): **Creative destruction of power relationships. A poverty reduction strategy Anatomy**, La Paz: Plural.
- ARAUCO, Maria Isabel (2000): "The social policies" in **Policies on poverty in Bolivia. Dimensión, policies and Results (1985-1999)**, La Paz: Instituto Prisma, Plural, pp. 237-257.
- WORLD BANK (1995): **Report No15272-BO: poverty, equito and income**, mimeo.
- CAVERO, Ramiro (2004): "The Dialogue Law: farther than popular participation for poverty reduction", **Opinions and analysis**, No 69, June, pp 129 to 157
- CEDLA (2001): **What alter the Dialogue?. Civil society's perceptions, valuing and expectations about the 2000 National Dialogue and the poverty reduction strategy.** Citizens' control project, No. 4.
- LINKING COMMITTEE (2005): "The linking committee, a State challenge" in **The conflict pieces**, La Paz. UNIR, pp. 75 a 96.
- CONAPSO (1991): **Bolivian Social Strategy**, La Paz
- DE LA FUENTE, Manuel (2000) The **"war" for water in Cochabamba. Chronicle of a painful victory**, "Documents of academic thinking over", No. 15, May 2000. PROMEC, School of Sociology and Economic Sciences. Universidad Mayor de San Simón de Cochabamba.
- DE LA FUENTE, Manuel (2002): "From neo-liberalism to peasant and indigenous people insurgency. The possibility of building a new Bolivia" in **Social observatory on Latin America (OSAL) CLACSO magazine (Buenos Aires)**, year III, No. 8, September, 2002, pp. 83 to 88.
- ESCOBAR, Flavio (1992): "The struggle against poverty, a concrete effort in Supreme Decree 22964" in **The Bolivian Social Strategy and its institutional framework**, Socio-economics Research Workshop, No. 15, La Paz: ILDIS, pp. 19 to 24.
- ESPAÑA and others (2005): **Social Control in Bolivia. A contribution to thinking over and discussion**, La Paz: GTZ.
- BOLIVIAN GOVERNMENT (2001): **Bolivian Poverty Reduction Strategy.**, La Paz
- GUGLER, Alfred (2005): Is Bolivian foreign debt sustainable after the HIPC? in **End of the debt or an endless debt? An analysis on the HIPC and BPRS in Bolivia**, La Paz: Jubilee Foundation, pp. 60 to 82.
- HINKELAMMERT, Franz (1990): **Democracy and Totalitarianism**, second edition, Economics – theology collection.
- NATIONAL STATISTICS INSTITUTE (NSI) (2002): **Bolivia: Poverty map** in <http://www.ine.gov.bo>
- KOMIVES and others (2004): **Reduce poverty and create wealth in Bolivia. Which is the "PRSP process" contribution?** Institute of Social Studies, mimeo.
- LANDA, Fernando (2003): **Poverty and income distribution in Bolivia. Between 1999 and 2002**, UDAPE, www.udape.gov.bo
- MOLENAERS, and Robrecht Renard (2003): "The World Bank, participation and PRSP: the Bolivian case revisited", **The European Journal of development Research**, Vol 15, No. 2, December, pp.133 to 161.
- MÜLLER AND ASSOCIATES (2004): **Socio-economics statistics 2003**, La Paz: Muller and associates.
- MURILLO Ekatherine (2005): "The freed HIPC resources usage" in **End of the debt or an endless debt? An analysis on the HIPC and BPRS in Bolivia**, La Paz: Jubilee Foundation, pp. 83 to 102.
- NUNEZ, Juan Carlos (2005): "Society and State: two decades of democracy" in **End of the debt or an endless debt? An analysis on the HIPC and BPRS in Bolivia**, La Paz: Jubilee Foundation, pp. 13 to 23.
- UNDP (2000): **Report on Human Development 2000**, Madrid: Mundi press Editions
- UNDP (2000): **Report on Human Development in Venezuela**, www.pnud.org
- PNUD (2002): **Report on Human Development in Bolivia 2002**, La Paz: PNUD.

NATIONAL DIALOGUE PROJECT(2001): **2000 Dialogue memories. Fight against poverty: between deliberation and the tinku**, La Paz: Boplivian Boliviana.

SAVATER, Fernando. **Ethics as love to oneself**. México: Mondadori.

TOKARSKY, Irene (2005): “The BPRS as an instrument to fight against poverty” in **End of the debt or an endless debt? An analysis on the HIPC and BPRS in Bolivia**, La Paz: Jubilee Foundation, pp. 48 to 59.

TORANZO, Carlos (1992): “coments and thinking over the theme” in **the Bolivian strategy and its institucional framework**, Socio-economics research workshop, No. 15, La Paz: ILDIS, pp 35 to 40.

TORANZO, Julia Gabriela (2004): “The HIPC initiative resources for poverty reduction” in **Municipalization: a decade diagnosis**. Volume 2, La Paz: ILDIS, Plural, pp. 347 to 362.

UDAPE (2003). **Bolivian Poverty Reduction Strategy, Advancement and perspectives report**, La Paz: UDAPE

VALDIVIA, José (1996): “The social compensation funds; ten years of history” in **Bolivia 1995 Social Report**, La Paz ILDIS, CEDLA, pp. 121 to 127.

VELASQUEZ, Rafael (2004) “The HIPC II tax revenue co-participation in the municipal Bolivian decentralization” in **Municipalization a decade diagnosis**, La Paz: FES-ILDIS/USAID, pp. 205 to 244

VELAZCO, Enrique (2000): “The development funds (FONDES)” in **Políticas on poverty in Bolivia. Dimension, políticas and results (1985-1999)**, La Paz: Prisma Institute, Plural, pp. 321 to 338.