David versus Goliath in Cochabamba: Water Rights, Neoliberalism, and the Revival of Social
Protest in Bolivia
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“Ours is a small country and it hardly owns anything any more. Our mines were privatized, the electrification company was privatized, and the airlines, the telecommunications, the railways, our oil and gas. The things we still own are the water and the air, and we have struggled to make sure that the water continues to be ours,” said Oscar Olivera, a trade-union leader from Cochabamba, Bolivia, addressing one of the assemblies protesting the annual spring meeting of the IMF/World Bank in Washington, DC, in April 2000. Olivera had been freshly flown in from the city that had been the scene of violent protests that forced the transnational consortium Aguas del Tunari out of Cochabamba Department and called upon the Bolivian government to modify Law 2029 on Potable Water and Sanitary Drainage, proclaimed only five months earlier. The assembly that protested the power of transnational capitalism and neoliberal policies cheered him as a hero. “David has defeated Goliath,” claimed Olivera, and “thus set an example for the rest of the world.”

From the early days of April Bolivia had been the scene of a wave of protests such as it had not seen for several decades, prompting the Banzer government, elected in 1997, to declare a state of siege. The day the state of siege was declared, 880 police mutinied to press wage demands and students protested in La Paz, and later coca growers from the yunga region set up roadblocks to protest forced eradication. By the time the state of siege was lifted on April 20, the confrontations had claimed five lives, four of them civilian.

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The government announced that it would return to its economic reactivation plan and that National Dialogue 2, upon which the multilateral debt relief plan was conditioned, would be put on track again. A cabinet crisis was in the air, and on April 25 a reshuffled cabinet took charge.

An important reason for the state of siege was the water war in Cochabamba. The events in Cochabamba can be considered significant for various reasons. In the first place, many considered the outcome a victory after 15 years of structural adjustment policies and the suppression of popular protest movements. Second, it diverged from established patterns of mobilization in Bolivia. The trade-union structures that since the 1952 Revolution had been a major vehicle of protest played only a marginal role, and territorial organizations such as neighborhood associations and potable-water committees emerged as the main carriers of protest activity. The other established organization, the Civic Committee, which claimed to be the legitimate representative of the Cochabamba population, proved to represent only a small sector of the population. A new form of organization, a Coordinadora, emerged as a leading force. Although, citing the Bolivian Constitution, the government, along with the Civic Committee, at first denied the legitimacy of the Coordinadora, it eventually had to accept it as an interlocutor. This points to a further feature of the dynamics of mobilization and government response in Bolivia. In connection with the mobilizations of coca growers Laserna (1999) has introduced the notion of “forced negotiation” to capture the process of escalation of protests and state violence. Typically, Bolivian governments seek to ignore and trivialize the first signs of popular mobilization and then to repress it through increasingly violent means, which only contributes to an intensification of confrontations and the spread of mobilization to other groups. Finally, the government gives in to social pressure and ends up signing last-minute agreements in which it does not believe and that it will not carry out, and this sets the stage for a new round of protest.

In the first part of this article I will review the debate over legislation on water resources in Bolivia. In the second I will show that it was no coincidence that Cochabamba became the focus of protests against the new legislation and its implementation, which made itself felt most concretely through the actions of the Aguas del Tunari Consortium. In September 1999 this transnational consortium had been granted the concession for supplying water to the city of Cochabamba and implementing a US$300 million project that was supposed to solve the water scarcity problem in the Cochabamba region. In the third part I will describe the conflicts over water in the Cochabamba region that arose with the expansion of the city in the 1970s, and in the fourth I will examine the water war of 1999–2000. Finally, I will discuss some of the outcomes and implications of this conflict.
Since the early 1970s the Bolivian state has been working on a new legal framework regarding water resources. The more recent proposals for a general law have been largely inspired by the recommendations of multilateral development agencies and Chile’s 1981 water legislation. At the same time they are aligned with the institutional setup introduced under the Sánchez de Lozada administration (1993–1997), a “second generation” of reforms aimed at complementing the structural adjustment policies initiated in 1985 with the implementation, at dramatic social cost, of a New Economic Policy. What the multilateral agencies have proposed is the development of a general law that would provide the framework for secondary legislation with regard to integral resource management and citizen participation either through users’ organizations or through the private sector. Such a law would limit the role of the state to supervision, regulation, and planning. It would take into account the economic value of water resources and allow the resources or concessions for exploitation to be freely sold, mortgaged, rented, and so forth, so as to promote market-driven resource distribution. Finally, it would include environmental protection measures.

While incorporating these guidelines, the Bolivian proposals are aligned with the local outcomes of state reform policies and particularly with the Sistema de Regulación Sectorial (System for Sectoral Regulation—SIRESE), created in 1994. The SIRESE law introduced a system of superintendencies to regulate sectors likely to constitute natural monopolies. It transferred existing economic functions of the state to the private sector and its regulative role to autarkic superintendencies. To ensure their independence the superintendents are appointed by the president on the basis of a short list proposed by the Senate and serve for fixed periods that do not coincide with the president’s term of office; they can be removed only through legal process. The economic independence of the superintendencies is ensured through the payment of permit fees by the enterprises subjected to their regulation.

When the Executive submitted its draft law on water resources in August 1998, the organizations of peasants, indigenous peoples, and colonists, with the support of nongovernmental organizations (NGOs), were quick to react. They came together as a national technical water board to develop a counterproposal inspired by ILO Convention 169 and Article 171 of the Bolivian Constitution, which recognize the social, economic, and cultural rights of indigenous peoples. It rejects the mercantilist- and privatization-oriented conceptions of the governmental project and defines water as a “social and ecological good that guarantees the well-being of the family and
the collectivity and (their) social and economic development.” It also stresses that the cultural and ritual value of water for indigenous communities must be respected and that water cannot be the object of private appropriation or commercial disposal.

A key aspect of the counterproposal is its defense of communitarian water rights, which are to be exempted from the payment of permit fees. Where mining, oil, and industry are concerned it rejects the system of 50-year concessions and proposes nontransferable 20-year authorizations conditioned on a management plan and an agreement with the communities that might be affected. It utterly rejects the idea of a superintendency and contemplates the formation of a national water council composed of representatives of the state and of water users.

While the debate over the general water law was in progress, in November 1999 the government piloted a secondary law on potable water and sanitary sewerage through parliament, and this law in fact legalized the contract with Aguas del Tunari that had been signed two months earlier.

**LAW 2029 ON POTABLE WATER AND SEWERAGE**

A basic feature of Law 2029 was the introduction of a regime of concessions and licenses for the supply of potable water, with the concessions to apply to centers of population with more than 10,000 inhabitants in which the provision of services is “financially self-sustaining” and the licenses elsewhere. Concessions were for a period of 40 years and licenses for 5. Concessions and licenses could be granted to any institution with legal status—a municipal public enterprise, a private enterprise, a corporation, a cooperative, a civil organization such as an NGO or a peasant or indigenous community. However, the conditions for granting concessions clearly favored the formation of large enterprises that functioned according to market criteria. It was expected that water supply in 41 cities would be rapidly brought under the concession regime. The law further stipulated that concessionaires would have exclusive rights over the concession area, which meant that existing local organizations such as cooperatives or neighborhood associations would be forced to enter into contracts with the concessionaires. These features of Law 2029 did not fail to be perceived as a menace to the arrangements for water supply that, in the absence of public services, had been created by the population in the form of cooperatives and other local associations classified as usos y costumbres (uses and customs).
For the concession areas Law 2029 established a rate structure based on criteria of neutrality, solidarity, redistribution, simplicity, transparency, economic efficiency, and financial sufficiency. However, in cases of conflict among these principles the criteria of efficiency and financial sufficiency were to be given priority, and in the event of a contradiction between these last two principles the latter was to prevail. The criterion of economic efficiency was to communicate the scarcity of the resource to its users whereas the criterion of financial sufficiency was to guarantee the recovery of costs and operating expenses and the “remuneration of action holders’ patrimony in the same way as any efficient enterprise in a sector of comparable risk [would remunerate them].” As we shall see, these criteria were used to support a rate hike that would help “capitalize” Aguas del Tunari to carry out its project, and this was one of the direct causes of the revolt.

Finally, the new law established that concessions and authorizations for the use and exploitation of water resources and their revocation would be granted by the competent superintendency and that until this superintendency was created the Superintendency for Basic Sanitation would perform these functions. As the concessionaires and licensees would be directly contracted by the superintendency, local governments and users would have little recourse against this closed system. With its reference to a superintendency Law 2029 “smuggled in” the creation of an agency that was strongly contested by the peasant and indigenous organizations, which advocated the creation of a national water council. One outcome of the water war in Cochabamba and the countrywide peasant protests would be the substantial modification of this law.

COCHABAMBA, THE THIRSTY CITY

Cochabamba was, as it were, overdetermined to become the scene of the water war. Over the past few decades the city and its surroundings, constituting what is known as the Central Valley, have experienced a process of socio-economic transformation and rapid population growth. Once agrarian, the region’s economy is now dominated by commerce, services, and small-scale industry. This urban transformation has been partly due to an influx of migrants. The closing of the tin mines in 1985 triggered a flow of migrants toward the Cochabamba Department and its capital and transformed the traditional outlets for agrarian produce from the Central Valley. Environmental factors such as the degradation of agricultural lands and the droughts that plagued the region during the 1980s were another element in the process of
change and rural-urban migration that produced the chaotic expansion of urban areas. Between 1976 and 1992 the population of the city of Cochabamba grew from 205,000 to 414,000 without corresponding expansion of urban services. Potable-water coverage was reported to be 57 percent and sewerage 48 percent in 1999. The remainder of the population gets its water from tanker trucks, privately constructed wells, or self-help organizations such as cooperatives, associations, and water committees. Estimates of the number of small wells in the Central Valley range from 5,000 to 7,000. In many cases such wells have been drilled with financial support from state agencies, NGOs, or the Church.

Meanwhile the rural areas have also undergone important changes. Recent decades have seen the growth of fruit, milk, poultry, and, recently, flower production. This development has been accompanied by an increase in entrepreneurial farming in a region that was once characterized by small family farms and peasant enterprises. It is a region of intensive farming, highly dependent on irrigation. About 70 percent of agricultural land is permanently or temporarily irrigated.

The rapid expansion of the urban population in a context of relative scarcity of water in the Central Valley set the stage for conflicts and for promises of a solution to the problem that have paid off handsomely in political terms. A case in point is the MISICUNI Project. First conceived some 50 years ago and initiated during the Barrientos government (1966–1969), the project would bring in water from the MISICUNI catchment area, some 40 km from the city, through a system of tunnels and aqueducts. As a “multipurpose project” it would supply the city with water and the agricultural areas with irrigation and, in passing, provide hydroelectric energy. It has therefore been regarded as a regional development project and over time has acquired a magical aura in the minds of most Cochabambinos. Institutionalized as a state enterprise in 1987, it produced many a costly feasibility study in subsequent years.

Meanwhile, the water problems of the city of Cochabamba have been handled with stopgap measures implemented by the Servicio Municipal de Agua Potable y Alcantarillado (Municipal Potable Water and Sewerage Service—SEMAPA). The easiest short-term fix was drilling wells in the neighboring province of Quillacollo, and this set the stage for rural-urban conflicts.

COCHABAMBA VERSUS QUILLACOLLO: THE WARS OF THE WELLS

While some efforts had been made in the 1960s, it was in 1976–1977, under the de facto government of Colonel Hugo Banzer, that SEMAPA
drilled a battery of ten 120-m wells in the Vinto District of the Quillacollo Province. Drought had exacerbated Cochabamba’s water problems, and although the well-drilling project had given rise to some questioning by the local population it went ahead after SEMAPA guaranteed that the wells would in no way affect water levels in the region or the existing wells constructed by the local population. When Banzer inaugurated the Vinto project in early December 1977, SEMAPA’s promises had already turned out to be a hoax. On November 22 the Pro Vinto Committee had protested that drilling had already “resulted in the complete drying up of the wells that supply the population with water,” threatening the loss of the country’s most important food-producing region. The committee adopted the slogan “Water Is the Patrimony of the Locality,” and SEMAPA renewed its commitments for the moment.

The 1977 experience had not been forgotten when in 1994, again in a context of acute water shortage, SEMAPA proposed the drilling of deep wells as a short-term solution. The local authorities declared that they were weary of sacrificing their interests for the benefit of Cochabamba and called for the implementation of the MISICUNI Project. In September 1994 various local organizations formed a defense committee, and on October 7 a March for Life and Water united some 10,000 people from different communities in the Lower Central Valley. Nonetheless, in April 1995 SEMAPA started drilling a 600-m well on army land in the locality of El Paso under the protection of the police. In 1997–1998 Cochabamba once again faced an acute water shortage, and SEMAPA came up with the usual solution, announcing that it would drill ten wells in Vinto and El Paso. Despite protests, drilling started on army land in early 1998. By mid-1998 the population of the Ironcollo community had forced the SEMAPA engineers and their accompanying military police contingent to withdraw.

In early July SEMAPA manager Arturo Coca announced that by August the Cochabamba population would have run out of potable water, and the company declared a 20 percent price hike. The municipal council of the Cercado demanded that the progress of the drilling be guaranteed, local deputies called for criminal prosecution of those opposed to the drilling, and a public assembly organized by the Civic Committee called for the drilling of wells “by force if need be.” That same month the newly elected President Hugo Banzer and Defense Minister Fernando Kieffer promised military protection for the drilling of wells (Crespo, 1999; PEIRAV, 1998).

This series of conflicts prompted two important developments. In the first place, in the mid-1990s a Federación Departamental Cochambiana de Organizaciones de Regantes (Cochabamba Department Federation of Irrigators’ Organizations—FEDECOR) independent of the established

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A trade-union structure emerged to replace the earlier community-based defense committees. Meanwhile, the original defense of resource ownership had taken on new dimensions. The early experience with well drilling had brought broader issues, among them the ecological aspect and the inequitable distribution of resources resulting from market forces and urban interests, into the picture. The defense of resource ownership evolved into an autonomous popular ecological movement in defense of communitarian access and of a way of life (Crespo, 1999: 72). By the late 1990s FEDECOR had become the main vehicle of protest in the rural area and involved itself in the efforts of the national technical water board to develop alternatives to the official proposals for a general water law. Through meetings and workshops the local bases of FEDECOR became familiar with the debate over water legislation.

Second, by the end of the 1990s the Cochabamba chapter of the Sociedad de Ingenieros Bolivianos (Society of Bolivian Engineers—SIB), until then supportive of well drilling, had begun to change its mind. It seriously questioned the productivity of the existing deep wells, which had cost millions of dollars. Moreover, it pointed to the risk of desertification and joined the Association of Municipal Governments of the Lower and Central Valley and FEDECOR in suggesting alternative solutions such as the capture of surface waters and the eternally postponed MISICUNI Project. While most urban-based organizations militantly defended well drilling, the engineers were starting to express doubts.

AGUAS DEL TUNARI AND THE WATER WAR

While conflict raged in the late 1990s, the MISICUNI Project and some alternative projects had remained on the agenda. At the end of the Sánchez de Lozada administration it was announced that the MISICUNI Project would be put out to bid together with SEMAPA, since a package deal like this would ensure profitability. Various interested parties presented themselves when the bidding process was initiated but after studying the terms came up with a series of concerns with regard to feasibility and profitability. In February 1999 the government made the conditions more “flexible,” and at this point the only enterprise that showed interest was Aguas del Tunari. Instead of opening a new round of bidding, the government authorized further negotiations with Aguas del Tunari. The consortium was therefore in a position to impose conditions on a government anxious to proceed. A decree in June 1999 authorized the signing of the contract.

The contract was immediately opposed by local organizations such as the FEDECOR and the Cochabamba College of Engineers. FEDECOR
President Omar Fernández asserted that the price for irrigation water would rise to US$0.08 per m³ and that this would drive between 15,000 and 20,000 farmers into bankruptcy. Edgar Montaño, head of the Civic Committee, replied that the price had not yet been fixed. The Ministry for Foreign Trade and Investment and the World Bank (1999) eventually established a price that confirmed Fernández’s statement. The College of Engineers compared the Tunari contract with the original MISICUNI Project and concluded that to guarantee profitability it had been reduced to a “bonsai” version. The quantities of potable water, irrigation water, and electricity to be provided had been halved and the initially projected second and third phases had been practically eliminated. As for the rates for potable water, the College of Engineers compared the SEMAPA rates with the rates anticipated by Aguas del Tunari and concluded that the elimination of social criteria would result in price hikes of up to 180 percent for the poorer sectors of the population. Finally, it questioned the way in which the contract had been granted (30 Días de Noticias [CEDIB], June 1999).

FROM THE DEFENSE COMMITTEE TO THE COORDINADORA

Soon a Committee for the Defense of Water and the Popular Economy emerged, with the engineers Osvaldo Pareja, Gonzalo Maldonado,6 and Jorge Alvarado among its driving forces. It organized a forum on July 20 in which criticism of the Tunari contract was expressed and its defenders were conspicuous by their absence. Gonzalo Rico, head of the MISICUNI Project, argued that the committee’s predictions about future water prices were grossly exaggerated. Prices would rise, he said, but only by 40 percent. Civic Committee president Edgar Montaño declined to recognize the Defense Committee, and Vice Minister of Investment Miguel López did not attend the forum. A week later the committee organized a street protest symbolically carrying the MISICUNI Project to its grave. Urban protests, however, remained a matter of certain professional organizations and certain environmentalists without a broad social base.

At the same time, with the December 1999 municipal elections coming up, Mayor Manfred Reyes Villa and the Civic Committee had their hearts set on signing the MISICUNI contract. On September 3 the contract was signed in the presence of President Banzer, ministers of state, and a range of local authorities. Reyes Villa and Montaño were among the signers. On November 1, without ceremony, Aguas del Tunari took over the SEMAPA offices and, through its manager Geoffrey Thorpe, announced that it would immediately set to work to improve the water supply in Cochabamba and implement the
Rate increases, covering the month of December and to be paid in January 2000, would, he said, be on the order of 35 percent.

Meanwhile, as noted, Law 2029 on Potable Water and Sewerage was approved, and on November 29 President Banzer proclaimed the new law in the locality of Cliza, Cochabamba, amidst peasant protests. The concession system it introduced would allow Aguas del Tunari to control all the wells drilled privately in the Cochabamba Valley and install water meters on these wells at the cost of the user. With the December 5 municipal elections near- ing, Basic Sanitation Superintendent Luis Uzin suggested that the rate hike might be reduced. Most of the parties participating in the local elections agreed not to politicize the water issue. Once the elections were over, however, Uzin declared that he had been misinterpreted and that the rate hike would be implemented as foreseen. It should be regarded, he argued, as a “solidarity increase” that would allow expansion of the water supply to the marginal areas. It contributed to the profitability of Aguas del Tunari, which contractually was guaranteed a return on equity of 15 percent.

Angry reactions to Uzin’s deception quickly followed. The Committee for the Defense of Water and the Household Economy, as it now called itself, restated its opposition to the rate increase, the sell-off of SEMAPA, and the MISICUNI bonsai and insisted that rates would rise much more than 35 percent. At the same time, sectors that had staunchly supported and in some cases cosigned the Aguas del Tunari contract began to voice doubts. The new president of the Civic Committee, Mauricio Barrientos,7 expressed objections to the rate increase and doubts about the contract, and Germán Mercado, president of the Federación de Juntas Vecinales (Federation of Neighborhood Associations—FEJUVE), stated that the citizenry was not disposed to pay high rates for a service that it had yet to receive. Interim Mayor Néstor Villazón said the same, and Mayor-elect Reyes Villa joined in.

Meanwhile, however, the initial opposition had taken on a new dynamic as contacts had been established between FEDECOR and the urban Federación Departamental de Trabajadores Fabriles de Cochabamba (Departmental Federation of Factory Workers of Cochabamba—FDTFC), notable for its search for a creative response to the crisis that hit the Bolivian trade-union sector after 1985. Massive layoffs, industrial restructuring and flexibilization, and the informalization of labor relations have resulted in a virtual disarticulation of the once powerful Central Obrera Boliviana (Bolivian Workers’ Central—COB) and, in many cases, the decline of local unions. The FDTFC has maintained a presence in the local media to inform the population about labor conditions and sought to organize unions in the small factories and sweatshops that make up the restructured industrial sector even though the General Labor Law prohibits unionization in establishments with
fewer than 20 workers. It has also initiated an “open-door” policy, meaning that it receives all sorts of demands and complaints from the popular sectors and pursues solutions. These creative responses to the crisis of the labor sector have given it significant moral weight in the city (Kruse, 2002).

With the adherence of the factory workers’ union the Defense Committee was transformed into the Coordinadora por la Defensa del Agua y la Vida (Coordination for the Defense of Water and Life). It was led by Oscar Olivera, a shoe-factory worker and president of the FDTFC, and its vice presidency came to be occupied by FEDECOR’s president, Omar Fernández; Gabriel Herbas, until then president of the Defense Committee, became the general secretary. Gonzalo Maldonado decided to take a back seat. This new configuration introduced a rural-urban dimension and brought a significant broadening and radicalization to the committee, which had mainly appealed to professional sectors and some environmentalist groups. The FDTFC, strategically located on a corner of the Plaza 14 de Septiembre and easily accessible to the public, became the Coordinadora headquarters. On December 28, 1999, the Coordinadora organized its first march to the Plaza 14 de Septiembre.

THE FIRST BATTLE FOR WATER, JANUARY 2000

In early January 2000, water bills started to reach Cochabambinos connected to the municipal water supply system and confirmed what the Coordinadora had been predicting: stiff raises, in some cases up to 150 percent. The population was outraged. Hundreds of persons came to the FDTFC offices to complain about their bills. This allowed the Coordinadora to gain ample media coverage, providing them with dramatic case histories. The Coordinadora called for a refusal to pay the bills. In response Aguas del Tunari manager Geoffrey Thorpe categorically stated that in the event of non-payment the water supply would be cut off.

The Coordinadora called a meeting for January 10. The Civic Committee declared a 24-hour civic strike for January 11, and Mayor Reyes Villa instigated FEJUVE to organize a protest march. The Coordinadora meeting, attended by angry citizens, professionals denouncing the deficiencies of the Aguas del Tunari contract, trade unionists, and members of irrigators’ associations and potable-water committees, resulted in a call for an indefinite shutdown of the city to start on January 11. The city was duly immobilized on that day, but this was not so much the work of organizations such as the Civic Committee or of the trade unions as of the irrigators’ associations, which effectively closed the strategic roads, and the potable-water committees and other neighborhood associations of the periphery, which set up a multitude of
small barricades. The mobilizations in the urban periphery were in many ways spontaneous and loosely coordinated, following what Kowarick (1985) has called the pathways of encounter that make for the gradual articulation of seemingly scattered day-to-day struggles in the workplace and in the neighborhoods.

The next day, although the 24-hour strike of the Civic Committee had ended, the rural roadblocks and those in the city’s periphery persisted. Five hundred workers from the Manaco shoe factory mounted their bicycles and rode the 15 km from the factory to the city center to protest the layoff of 60 workers and to call for continued action on the water issue. The Coordinadora called for a march and an open town council meeting on January 13. At that stage the transportation workers, divided between the urban transport workers allied with the Civic Committee and the heavy transport workers sympathizing with the Coordinadora, organized a meeting between the two groups in which they agreed not to negotiate separately. Thus the Civic Committee sought to save face by relinquishing its claim to a representative monopoly and the Coordinadora secured a place at the negotiating table. A ministerial delegation was on its way.

The delegation found itself in a city in convulsions. A massive march and town meeting in the Plaza 14 de Septiembre had ratified the rejection of the Aguas del Tunari contract and of Law 2029. It had denounced Mayor Reyes Villa, former Civic Committee President Montaño, MISICUNI President Gonzalo Rico, ex-prefect Guido Camaco, Basic Sanitation Superintendent Luis Uzin, and the former SEMAPA manager Oscar Coca as “traitors” for their role in producing the Aguas del Tunari contract. During the march the Civic Committee offices were attacked with stones and their windows broken. Some shops that were still open and public buildings also received their share of stones.

While tear gas clouded the city center, a delegation of four ministers entered into negotiations with representatives of the Civic Committee and the Coordinadora. The final outcome was an agreement signed by the governmental representatives, the Civic Committee, a representative of the Cochabamba parliamentary brigade, and a representative of the motor transport federation but not by the representatives of the Coordinadora, who argued that they had to consult the people. The agreement included the creation of a commission to study water rates. The Aguas del Tunari contract was to be revised to ensure the implementation of the MISICUNI Project, to eliminate clauses that went “against the interest of the state,” and to revise water rates. The proposals for a general water law were to be discussed with society at large in an effort to reach consensus, and Law 2029 was to be modified within 45 days. Finally, it was decided that privately owned water
systems in the concession area would not become part of the water sources of the concessionaire (30 Dias de Noticias [CEDIB], January 2000). The Coordinadora regarded this last point as an important victory. On the whole, however, the first battle over water ended in a truce that was to allow for further study and negotiation. Within a month hostilities would resume.

THE SECOND BATTLE, FEBRUARY 2000

Negotiations proceeded sluggishly. The government, above all concerned with the investment climate, showed little willingness to review the Aguas del Tunari contract or the rates and basically sought to strike a deal with the Civic Committee so as to marginalize the Coordinadora. It considered the original MISICUNI Project bound to be unprofitable and therefore infeasible. For its part, the Coordinadora denounced the contract as irregular, demanded its rescission, and proposed that SEMAPA be capitalized and converted into a sort of cooperative. At the end of January it organized a burning of water bills.

Meanwhile, tension rose in the national government coalition. The NFR, led by Reyes Villa, opposed the authorization of the rate hike and expressed its discomfort with the irresponsible and unilateral attitudes of the government and Superintendent Uzin. On February 2 the crisis broke, and the representatives of the NFR—12 deputies and 1 senator—left (or were expelled from) the coalition.

When on February 4 the government offered its “final proposal” of a 20 percent rate increase, there were massive street protests, and these were met by heavy-handed repression coordinated by Vice Minister of Internal and Police Affairs José Orías. Special Security Group detachments known as “the dalmatians” for their battledress were brought in from La Paz and Oruro. After two days of heavy street fighting, Orías declared that police and military violence had been unavoidable to protect the doors and windows of the Cochabamba Prefecture. Doors and windows remained unbroken, noted the national daily Presencia (February 2, 2000), but 70 civilians and 51 policemen were wounded and 172 arrests were made.

Confrontations came to an end in the course of Saturday, February 5, when, after the mediation of Cochabamba’s Archbishop Tito Solari and the national ombudsman, José Luis Baptista, an agreement was signed by Orías, Mauricio Barrientos of the Civic Committee, Néstor Guzmán of the Cochabamba Parliamentary Brigade, and Gonzalo Maldonado of the Coordinadora. Prefect Hugo Galindo was absent from the signing, reportedly hospitalized. The main points were that the MISICUNI Project would be implemented and that rates would be reviewed and for the time being frozen.
at their October 1999 level. Proposals for modification of Law 2029 were to be worked out among the various parties and presented within the 45-day period agreed upon in January. A commission with representatives of the various groups was to revise the technical, financial, and legal aspects of the Aguas del Tunari contract. After this peace lasted until April 4.

THE THIRD BATTLE AND THE STATE OF SIEGE, APRIL 2000

By the end of February negotiations were approaching a deadlock. Government and Civic Committee delegates accused the Coordinadora of having radicalized its demands beyond the rate issue. The Coordinadora argued that the Civic Committee was dragging its feet and that the government delegates were offering little opening. The Civic Committee said that it had been unable to study the contract because “by some mistake” it had not been provided a copy. For his part, Superintendent Uzín stated that there was no alternative to the rate increase. Frustrated, the Coordinadora decided to withdraw from the technical meetings.

On March 26 it held a referendum on the issue. Relying on the network of local organizations that by then had become involved in its activities, it had some 150 ballot boxes installed and supervised. The population was asked to answer three questions: (1) Do you accept the rate increase? (2) Should the contract with Aguas del Tunari be annulled? (3) Do you agree with the privatization of water in Law 2029? Of the total of 48,276 votes (some 10 percent of the population) 99 percent responded negatively to the first question, 96 percent thought that the contract should be annulled, and 97 percent disagreed with the privatization orientation of Law 2029. Although the referendum had been organized on short notice it had achieved a participation equivalent to 31 percent of the vote in the December 1999 municipal elections. The local press spoke of it as a success. Nevertheless, in another effort to trivialize the issue Vice Minister of Investment and Privatization Humberto Böhrt announced that the referendum was illegal and that the government recognized only the Civic Committee as an interlocutor.

Two days before the referendum the Civic Committee had called a public assembly “sponsored by the institutions duly accredited by the Civic Committee,” and this assembly had ratified a preliminary agreement with the government. The agreement included (1) modifications of Law 2029 so as to respect the investments made by neighborhood associations, cooperatives, and other organizations in urban and rural areas, (2) renegotiation of the Aguas del Tunari contract, (3) a one-year moratorium on the reclassification of water users while a commission composed of the Superintendency and
delegates of the Civic Committee worked out a more equitable scheme, (4) a freezing of rates until December 2000, after which they would increase gradually, (5) the establishment by the concessionaire of an office to receive and process consumer complaints, (6) a guarantee by the government of the completion of the MISCUNI tunnel, and (7) an expression of confidence in the leadership of the Civic Committee, a denunciation of the “anarchist and irresponsible attitudes of the Coordinadora leadership,” and a rejection of the referendum as illegal and unverifiable. Leaders who opposed “the prestige and the institutional and democratic integrity” of the Civic Committee were to be banned from further participation.

At that point a group of intellectuals assembled by the Centro de Estudios de la Realidad Económica y Social (Center for the Study of Social and Economic Reality—CERES) sought to get negotiations going again. In its view the Coordinadora had behaved erratically in the negotiations and the Civic Committee and the government had failed to address the question of a full revision of the Aguas del Tunari contract (30 Días de Noticias [CEDIB], March 2000). This attempt found little echo, however, in a situation that was already strongly polarized. At the end of March both the Coordinadora and the Civic Committee announced mobilizations if the government failed to respond before March 31. No response came, and independently the two organizations called for a general strike on April 4, after which the government sought to patch up its relations with the Civic Committee.

Around the same time the national peasant organization Confederación Sindical Única de Trabajadores Campesinos de Bolivia (Unitary Union Confederation of Bolivian Peasant Workers—CSUTCB) started to block roads throughout the country to press its own list of demands, including withdrawal of the official proposal for a general water law, and in Cochabamba the local peasantry, led by FEDECOR, blocked the main roads to the city. In the city itself the general strike passed quietly. The government and the Civic Committee congratulated themselves on the seeming impotence and isolation of the Coordinadora, and Galindo stated that “there is nothing to negotiate.” On the next day, April 5, however, thousands of Cochabambinos, among them a variety of water committees as well as the heavy transport workers’ union and delegations from the rural areas, filled the Plaza 14 de Septiembre. The crowd rejected the Coordinadora proposal to give Aguas del Tunari 24 hours to leave the city and demanded that the enterprise leave immediately. It then marched to the company headquarters, attacking the Civic Committee offices on the way. At Aguas del Tunari the company sign was torn down, and the water treatment plant in the Cala Cala district was spray-painted with the slogan “Aguas del Pueblo” (The People’s Water). Intervention by the Coordinadora leadership prevented damage to the plant.
On April 6 the Plaza was again taken over by a crowd, though a much smaller one than the previous day’s. Although initially various ministers had said that talking with Coordinadora delegates was out of the question, after mediation by the archbishop and the ombudsman the authorities agreed to meet with the Coordinadora, which called on its followers to hold a vigil around the Prefecture, where the meeting would take place. At 10 P.M. a harassed group of policemen launched a first round of tear gas, and at 10:30 P.M. a police force cleared the Plaza 14 de Septiembre, entered the Prefecture, and arrested the Coordinadora delegates. (They would be released by 4 A.M. the next day.)

The surprise arrests were strongly denounced by the church and other mediators, and Coordinadora sympathizers were confirmed in their mistrust of the government. On April 7 an unprecedented crowd gathered in the plaza to demand a break with Aguas del Tunari and revision of Law 2029, and it was decided to continue the blockades until the demands were met. With the violence of February fresh in their minds, people prepared for the arrival of the army, expecting a grim battle when, later in the afternoon, the first rounds of tear gas were fired. But at 5 P.M. the news came that Galindo had announced a break with Aguas del Tunari. The crowd celebrated until a few hours later government sources denied the news; Galindo said that he had made the announcement only to avoid a “bloodbath.” Meanwhile, some Coordinadora leaders were being arrested and others going into hiding. Throughout the country other leaders, such as Félie Quispe of the CSUTCB, were also arrested and deported to San Joaquin, the “Bolivian Siberia” in tropical Beni Department.

A decree declaring a 90-day state of siege was made public only in the morning of April 8 by Information Minister Ronald MacLean. His claim that the unrest in Cochabamba was being financed by drug traffickers added to the protesters’ outrage. The state of siege became simply another reason for mobilization in various parts of the country. In Cochabamba the streets and the plaza filled with protesters, who were doused with tear gas. To keep news from spreading, the power supply to the El Temporal area, where various radio and TV stations are located, was cut by the military. In the afternoon protesters attacked local prisons, burned cars, threw a Molotov cocktail into the municipal offices, and managed to reconquer the plaza. Street kids—the most marginal of the marginal—played a prominent role in defending the reconquered plaza and the various barricades. Operating in well-organized gangs of “water warriors,” they vehemently asserted their membership in the movement and their loyalty to the city, general patriotism, and “willingness to die for the cause.” By the end of the day the attempts to reestablish order—
what the national newspaper *La Prensa* (April 9, 2000) dubbed “a surgical operation with a kitchen knife”—had claimed two lives. In Cochabamba, the student Hugo Daza was shot in the face and died instantly. His body was immediately carried to the plaza, and at the place where he died a shrine was constructed that displayed a bullet-perforated piece of sheet iron. Government and military sources denied that any shots had been fired into the crowd.\(^\text{10}\)

On Sunday, April 9, it was officially announced that Aguas del Tunari would withdraw, but by then such promises were hard to believe, and a crowd occupied the plaza to wait and see. Coordinadora members who had eluded arrest appealed to the government to come up with real solutions. On April 10 a new agreement was signed between government representatives and the Coordinadora. It established that SEMAPA would again assume responsibility for water supply in the city under a temporary board made up two representatives of the municipality and four “independents” with links to the Coordinadora. Roadblocks would be lifted as soon as parliament approved the modifications of Law 2029 and the Superintendency presented proof of the annulment of the Aguas del Tunari contract. The wounded were to be cared for at the expense of the government, indemnification was to be paid to the families of the dead, and those detained at San Joaquín were to be released.

When Oscar Olivera informed the crowd in the plaza of the agreement and claimed victory, he received a tepid response. Peasant delegates, who had become ever more suspicious of government promises, demanded that the modifications of Law 2029 be approved at once. Nevertheless, the crowd disbanded. Modifications to the law were approved in parliament that same night and a modified law, No. 2066, was proclaimed by President Banzer on April 11. The reform contained 36 articles. The main points were that (1) the possibility of creating a national water council was left open; (2) instead of five-year licenses peasant and indigenous organizations now had to register only for “the useful life of the service”; (3) in concession areas the concessionaires would not have monopoly rights and water committees, cooperatives, and other *usos y costumbres* would be recognized; and (4) rate structures were to be established in consultation with the municipalities and the local units of Popular Participation.\(^\text{11}\)

While calm returned to Cochabamba, protests continued elsewhere. On April 20, on the eve of the Easter weekend, the state of siege was lifted, President Banzer asked pardon for any errors that might have been made, and the country prepared for what would come after the weekend.
DISCUSSION AND CONCLUSIONS

At the root of the problems in Cochabamba was a rather classic “urban contradiction” (Castells, 1977): the precarious and class-biased distribution of a scarce collective consumption good. The attempts to solve the problem by drilling wells added a touch of “urban bias.” However, as Kowarick (1986: 16) has put it, “between concrete conditions of existence and social struggles there are many mediations.” It has increasingly been recognized that the analysis of forms of collective action cannot take the unity of a movement for granted but must consider it an outcome or a social construct (Melucci, 1999). The processual dimension has therefore gained increasing attention, along with identity formation and the movement’s cultural and discursive dimensions (Escobar, 1992). Resource mobilization theory, which had hitherto focused on cost and benefit aspects of mobilization, was broadened to include the notion of “cultural framing” (McAdam, McCarthy, and Zald, 1996). Touraine (1978) has suggested looking for the stakes in a conflict, the adversary, and the process of identity formation of the contesting party in relation to the former two elements.

The “early riser” (Tarrow, 1994) in this protest movement was, as we have seen, the Defense Committee, which broke the silence surrounding the contract when the Civic Committee and the majority of the political parties had decided not to. The Civic Committee had cosigned the contract, and most of the parties were involved in Banzer’s “mega-coalition” and disinclined to make the contract an issue in the December 1999 municipal elections. By then, however, the FDTFC and FEDECOR had taken up the question and provided a new mobilizing structure and a broadened social base for protest. The FDTFC had gained significant prestige among the population as a result of its creative response to the crisis of traditional trade unionism. FEDECOR had emerged in the context of earlier conflicts over water and, because of the forms of social control that go with rural water management, was a rather disciplined and cohesive organization. While FEDECOR advanced an articulate critique of the proposals for water legislation, the Defense Committee attacked the Aguas del Tunari contract. As in other movements, the convergence between the criticism of middle-class professionals and that of popular organizations was an important element in the emergence of the Coordinadora and its capacity to mobilize various sectors of the population.12

If we look at the stakes in the conflict and the process of framing or identity formation by which a “discursive community” is constructed (Tarrow, 1994: 4), it is clear that people from the city’s periphery feared being dispossessed of their water sources, and those who happened to be connected to the SEMAPA system saw their water bills increase. This certainly contributed to
the credibility of the Coordinadora. The far from transparent negotiation of the contract, the feeble guarantees it provided for the realization of the MISICUNI Project, and the extension of coverage of the distribution system as well as the rate question had already been criticized by the Defense Committee, and the question of water legislation was a long-standing concern of FEDECOR. In the Coordinadora these elements fused into a discourse that drew on the rhetorical resources of national popular anti-imperialism, combined with new elements of antiglobalism, protest against the societal and development model imposed through the emblematic Decree 21060 of 1985, and criticism of the government’s (non-) policies, kleptocratic practices, and nepotism. The immediate targets of anger were also quite clearly defined: Aguas del Tunari, the Civic Committee, and the municipal offices, the former for dispossessing the people in favor of foreign capital and the latter two for their connivance.

But more was at stake than just the water issue. The Coordinadora came to constitute an important challenge to the instituted system of legally accredited representation, which failed to channel the concerns and interests of large sectors of the population that had never felt represented by the Civic Committee and had come to perceive the FEJUVE as corrupt and co-opted by the municipal government. Nevertheless, despite its rhetoric about “national dialogues” the government insisted on dialoguing only with legally accredited organizations. The dynamics that this approach may trigger are well captured in Laserna’s (1999) notion of “forced negotiation.” In the case of the Cochabamba conflict, government indifference to early signs of protest and the denial of the legitimacy of the Coordinadora added the issue of representation and popular organization to the agenda. It was only under the pressure of protests and violent attempts to quell them that Coordinadora representatives were admitted to the negotiating table, and even then the government proved unwilling to negotiate anything while the Civic Committee dragged its feet and narrowed the issue to the rate question. The provisional agreement worked out between the Civic Committee and the government in late March was more of a tactical move to calm the protests than a matter of conviction. When negotiations to end the third round of protests began, the Coordinadora seemed to be losing its capacity for mobilization, but the illegal arrest of its representatives and the subsequent declaration of a state of siege prompted unprecedented mobilization. After a bout of equally unprecedented violence, the government finally rescinded the contract with Aguas del Tunari and modified Law 2029. According to resource mobilization theory the presence of radical fringe actions may strengthen the negotiating position of the leading spokespersons and organizations (McAdam, McCarthy, and Zald, 1996: 14). As we have seen, when protests began to expand the
Civic Committee somewhat opportunistically sought to present itself as a moderate opponent to the rate hike and a reliable negotiating partner. Paradoxically, its failure to address other aspects of the contract or the water legislation issue and its vacillations only played into the hands of the Coordinadora coalition.

The modifications of the law included better protection of existing organizations involved in local water supply and some social control over rate structures, and the elimination of the criterion of “financial sufficiency” opened the way for consideration of social criteria. Finally, any mention of a water superintendency was eliminated. A next step will therefore be the development of a general water law to replace the obsolete 1906 law. Both the government and the peasant and indigenous organizations have produced proposals for new legislation, and one of the outcomes of the April 2000 conflicts is the promise to prepare a new proposal jointly. The government is moving very slowly, however, and the CSUTCB leader Felipe Quispe seems to have embarked on a strategy of confrontation that blocks further negotiations. This stand is strongly criticized by various CSUTCB base organizations and by NGOs, which argue that this plays into the hands of the government and that new legislation should be developed as soon as possible.

The rescission of the Aguas del Tunari contract meant that water supply in Cochabamba returned to SEMAPA, now with some representatives of the Coordinadora on its board. Meanwhile, various semipublic enterprises are claiming debts contracted by the old SEMAPA, and the legality of the present SEMAPA management, which took charge as an outcome of the agreement of April 10, is being called into question. It seems, however, that SEMAPA is doing reasonably well and enjoys the sympathy of much of the population. The new management claims that it has succeeded in making SEMAPA a profitable enterprise.

At the same time, the long-term alternatives being discussed envisioned rejecting both a public enterprise plagued by bureaucracy and corruption like the old SEMAPA and privatization that would prioritize profitability over the needs of the population in favor of a cooperative or social and self-managed entity under permanent popular control. In the end it was decided that the enterprise would remain a municipal public one but incorporate new features such as the representation of SEMAPA workers on the management board. At another level, discussions revolved around questions such as the development of a new socially acceptable rate structure and ways of rewarding cooperatives and other self-help initiatives for their incorporation into the SEMAPA system so as to achieve sustainable resource use in the long run and improve the quality of the water supplied. After the water war, for example,
the newly installed SEMAPA management and Coordinadora representa-
tives initiated a round of visits to the urban periphery to inquire into the local
situation and resolve some of the most pressing problems. Some have argued
that, though the battle may have been won, the cause has been lost. This
depends on how one evaluates the likelihood that eventually a new socially
acceptable and waterproof contract could have been negotiated with Aguas
del Tunari.

The Coordinadora emerged at a specific juncture as a loosely organized
single-issue movement that from late 1999 on deployed a variety of initia-
tives and managed to gain broad sympathy among the population. The town
meetings and the referendum were innovations in the action repertoire to pro-
mote debate and involvement and serve as instruments of direct democracy.
The significance of the movement may therefore extend beyond the water
war itself. One of its demands became the direct election of the Civic Com-
mittee and a democratization of the neighborhood organizations, which are
often involved in clientelistic relations with the municipality. Another ques-
tion is the classical issue of the future of the movement or the transition “from
revolt to organization” (Melucci, 1996: 313). By deciding not to become a
formal organization and seek official recognition, the Coordinadora has
remained more of a network-like structure that links together different types
of organization—the FEDECOR, the FDTFC, and the urban territorial orga-
nizations such as the water committees. It calls occasional open meetings to
discuss issues and decide what to do. Among the issues that have been taken
up are the revision of electricity rates and the recovery of the privatized state
enterprises, and an initiative was taken to organize an international confer-
ence to protest globalization. Besides the classical trade-union demands,
consumer issues have taken a more central place, and in the context of the
fragmentation of trade-union structures a territorial mode of organization has
gained importance. In other parts of the country initiatives have sprung up to
create similar network-like and little-formalized coordinating structures. It
may be premature to say that a “new social movement” has emerged in
Bolivia, but the water war does suggest a significant change in the dynamics
of social protest.

NOTES

1. Civic committees, often departmental, first arose in Bolivia’s major cities in the course of
the 1970s. They expressed regionalist demands confronting the country’s centralism and were a
vehicle of opposition to the authoritarian regimes. Though formally broad-based and including a
range of organizations, they were largely controlled by the local business sector.
2. Article 4 states that the people govern through their representatives and legally established authorities and that any armed force or assembly of people that attributes popular sovereignty to itself is guilty of sedition. Article 223 defines the legitimate channels of participation as political parties and civic groups that possess legal recognition (personería jurídica).

3. Including the Cercado Province, in which the departmental capital Cochabamba is located, and the Quillacollo Province, which in turn is divided into five municipalities.

4. The Corani Reservoir Project is the principal alternative proposed. Favorved by the Sánchez de Lozada government, it met with local opposition articulated by the municipal administration of Reyes Villa and the Civic Committee, which were committed to the MISICUNI Project. The World Bank (1999) considered the MISICUNI Project a white elephant and argued that no public subsidies should be given to ameliorate the increase in water rates in Cochabamba.

5. The consortium was created a few weeks before signing the contract. Shareholders were Bechtel and Abengoa and some national enterprises—50 percent British, 25 percent Spanish, and 25 percent Bolivian.

6. Maldonado was at the time deputy for Cochabamba of the Nueva Fuerza Republicana (New Republican Force—NFR), a party created in 1996 as a vehicle for Cochabamba’s Mayor Manfred Reyes Villa, nicknamed Bombón (Sweetie). Maldonado would be expelled from the NFR for revealing the implications of the Aguas del Tunari contract and thus damaging Bombón.

7. Edgar Montaño had left his post as president of the Civic Committee to join the NFR for the municipal elections.

8. In fact, the proposal was that the fixed charge for the first 12 m³ would increase by 20 percent while additional water would be charged according to the rate structure of the Aguas del Tunari contract.

9. The decree is dated April 7. It refers to social unrest, particularly in Cochabamba, and invokes the constitutional stipulations regarding the exercise of popular sovereignty. Given that the decree was made public only on April 8, the preceding nationwide arrests were unlawful.

10. A few days later PAT-TV made public a video film showing a sniper in civilian clothes, later identified as Captain Iriarte, kneeling behind a line of soldiers, who clearly offered him cover, and then taking aim and firing into the crowd. Though what happened was clear for all to see, government officials invented lie after lie to deny any government or army responsibility. Human rights groups in Cochabamba registered 59 wounded, 24 of whom had bullet wounds.

11. The 1994 Law on Popular Participation recognizes “territorial base organizations” such as neighborhood associations, rural unions, and indigenous communities, which elect representatives to a vigilance committee charged with monitoring municipal investment plans.

12. For a discussion of similar dynamics in a different context, see Assies (1999).

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