

Beyond the Permitted Indian? Bolivia and Guatemala in an Era of Neoliberal Developmentalism¹

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This paper outlines and discusses the contrasting histories of inclusion and contestation associated with the introduction of neoliberal and multicultural policies in Bolivia and Guatemala. In drawing out and discussing the ambiguities of multiculturalism in these countries, the paper aims to validate and further develop Charles Hale's recent thesis of the indio permitido (permitted Indian). Whereas Hale's thesis refers to a project of neoliberal governance and control, I argue that recent events reveal the partial failure of this project. As much as the idea of the indio permitido articulates a critique of the shortcomings and ambiguities of these reforms, it also points to the factors that account for salient innovations in the mass protests that have been taking place in both countries.

Keywords: Bolivia; Guatemala; multiculturalism; poverty; indigenous; protest; participation

Introduction

To attempt a comparison between countries so dissimilar and geographically far apart as Bolivia and Guatemala may well be to tempt folly. While at first sight they appear to have common histories of revolution, war, militarism and economic crisis, a closer look at the social, political and cultural evolution of both countries reveals important differences that preclude all simplistic notions of similarity. It is necessary, then, to be aware of the specificities and distinctiveness of these two societies. Once this is accepted, however, two shared elements provide a basis for the comparative analysis that is undertaken in this essay. On the one hand, Bolivia and Guatemala are among the countries that exhibit the highest levels of poverty in Latin America.² On the other hand, relative to their total populations, they have the largest proportions of indigenous people in the entire region.³ These are striking features that arguably characterize and constrain the politics of these countries to a much greater extent than anywhere else in Latin America. Starting from these key common elements, one can make important comparative points not only about the connection

between indigeneity and poverty,⁴ but also about the ongoing effects of the neoliberal reforms and the subsequent popular responses.

In this work I focus on the idea of *indio permitido* (permitted Indian), which was originally articulated by the Bolivian anthropologist Silvia Rivera Cusicanqui and more recently utilized by Hale and Millimán (2004; Hale, 2006a, 2006b) in writings about Guatemala to refer to the ways in which governments and international institutions use cultural rights to divide and domesticate indigenous movements. Drawing on my own research experience and reports of recent events in both countries, I attempt to empirically validate and to further develop the notion of *indio permitido*, not only as a critique of multicultural politics, but also as a tool to analyse the impact of neoliberal development policies more generally. The idea of the *indio permitido* emphasizes the ways in which neoliberalism, as a *cultural* project, contributes to the rising prominence of indigenous voices at the same time as it creates limits to their transformative aspirations (Hale & Millamán, 2004, p. 17). Indians⁵ are recognized as citizens by governing elites as long as they do not question or threaten the integrity of the existing regime of productive relations, especially in the sectors most closely connected to the global markets. As such the idea underlines the governmentality arguments of other analysts (Rose, 1999) who claim that the ultimate goal of neoliberalism is not just radical individualism, but rather the creation of subjects who govern themselves in accordance with the logic of globalized capitalism. From this point of view, the notion of *indio permitido* reveals the ways in which the public is being reconfigured in Bolivia and Guatemala. However, whereas Hale develops the argument of the *indio permitido* as a thesis of neoliberal governance and control, I argue that recent events reveal the partial failure of that project. I also argue that as much as the idea of the *indio permitido* criticizes the shortcomings of the neoliberal reforms, it also points to the causes and shape of the recent mass protests against government economic policies and the subsequent political shifts in both Bolivia and Guatemala.

The essay opens with a brief outline of the international context of participatory and multicultural reform. Following this, an outline is given of the historical background, generation and organization of recent protests in Bolivia and Guatemala. The paper describes the common frustrations of Bolivian and Guatemalan indigenous communities with the limits placed on the powers and positions of employment granted them by these reforms, highlighting differences in historical conditions for venting and directing claims for increased participation. It is at this point that I initiate the discussion of the merits and limits of Hale's thesis of the *indio permitido*. I argue that, despite differences in their scale and nature, the protests in Bolivia and Guatemala demonstrate that, while the thesis is generally valid, the controls of the neoliberal project are far from perfect. In both countries, it is possible to see protest not only as a way of circumventing the existing limits of the permissible, but also as a catalyst for the redefinition of national society and government. I demonstrate that these processes have different expressions and historical roots in Bolivia and Guatemala, contending that the contrast offers important insights on the possibilities and complexities of local resistance to globalization. Further, I argue that while Guatemala's ethnic relations are marked by

a stand-off of essentialist understandings of identity, the results of protest in Bolivia have established grounds for the potential development of a new kind of indigeneity that seems to be more inclusive and much less acquiescent to the rules of the neoliberal present. In this context, the indigenous innovations of the present override much of the historical conditioning of the past. The paper examines the possibilities and limitations of this new indigeneity and discusses whether it represents, in the context of the politics of post-crisis Bolivia, a genuine move beyond the boundaries of existing multicultural politics.

Cultural and Multicultural Politics in Latin America

The global context of neoliberal governance and economic liberalization has meant that development policy has common impacts and applies common tenets around the world. Of these tenets one of the most widespread has been the drive, since the end of the 1980s, first by non-governmental organizations and then by governments, to encourage citizens' participation in development and political life. This idea was supported by the growing influence of international human rights frameworks and the increasing popularity of participatory development methodologies and rights-based development projects. Recognizing the social cost of structural adjustment policies, the World Bank and Latin American governments gave further currency to these ideas in an attempt to put a more 'human' face on the pro-market economic policies. In the 1990s the growing emphasis on participation in development was further boosted by international drives to recognize ethnic diversity and bring previously marginalized groups, and specifically indigenous peoples, under the umbrella of state and international institutions.

Earlier in Latin American history there had been a strong tendency to deny the political and economic significance of ethnicity (Thorp, Caumartin, & Grey Molina, 2006). During the colonial period, Indians were relegated to the bottom of the social, economic and political hierarchy by a system of tribute and labour responsibilities that went together with 'protections' such as special legal status (often as minors), exemption from military service, and inalienable land rights often enforced by moving indigenous communities from their traditional territories to crown controlled, town-based settlements (*reducciones*). After independence, the new Latin American creole elites set about creating political and economic institutions to serve their interests. Although some countries accorded indigenous peoples protected status, the laws and institutions of the independent states excluded them from the benefits of citizenship while also expecting them to fulfil citizen obligations and demonstrate devotion to the new nation-states. Although different lines of policy were used to address the lingering 'Indian question' (Van Cott, 1994), indigenous groups were generally viewed as 'backward', as an obstacle to development and as people that had to be modernized and assimilated into the wider society and market. In the 1950s and 1960s, earlier nationalist policies for *mestizaje* were updated and included in the political agendas of some governments influenced by ideological trends of the day. While they offered different explanations to account for the Indian problem, Liberals and Marxists shared a disdain for ethnic and cultural

politics and an interest in nurturing a homogeneous vision of the nation (Stavenhagen, 2002).

In the 1990s, the increasing pressure of globalization rendered homogeneous visions of the nation more and more unsustainable. Assimilation, the classic prescription of the past, was denounced as discriminatory, unacceptable and unrealistic. Various marginalized sectors of Latin American society now found room to advocate and push for a pluralist, ethnically heterogeneous state 'based on tolerance, respect for difference and intercultural dialogue' (Sieder, 2002, p. 5). Two elements provided the basis for these new politics of inclusion: the acknowledgment of the existence of a correlation between indigeneity and poverty,⁶ and an attitude of openness regarding the native peoples' aspirations for collective rights and self-determination.⁷ Following the Latin American transition to electoral democracy during the 1980s, demands with a specifically indigenous content began to be voiced within the context of the implementation of economic adjustment policies that revealed a reality of democratic deficits throughout the continent (Yashar, 1998; Warren, 2003). The pressure to impose austerity and service the external debt led to a rollback of state services and forced governments to further expand the exploitation of natural resources, negatively affecting indigenous groups and stimulating their attempts to get involved in national and international politics. In addition, the pro-market policies prescribed by international donors advanced the commodification of the land through the promotion of individual titling and the abolition of collective entitlements previously included in agrarian reform legislations. Whether the indigenous groups stayed in the countryside or began to move to the cities, their social and cultural vulnerability increased rapidly in the 1980s, which served as a catalyst for indigenous organizing and protest (Brysk, 2000).

The other element in the development of a new 'politics of difference' during the 1990s was the impulse to promote indigenous rights at the international level. The native 'peoples' were firmly established as subjects of rights in the international legal order, and by the end of the decade the United Nations had set up a permanent Forum on Indigenous Peoples with offices throughout the world. As a consequence, individuals and groups were significantly empowered to raise claims against the state. With the start of the new millennium, other developments contributed to this climate of multiculturalism. In 2004 the United Nations Development Program (UNDP) released a Human Development Report focused on 'Cultural Liberty in Today's Diverse World'. The report makes the case for respecting cultural diversity and making efforts to build more inclusive societies through the adoption of policies that explicitly recognize cultural differences (UNDP, 2004, p. 2). In a parallel move, the World Bank officially adopted the notion of rights based development by establishing linkages between cultural diversity and public action to reduce poverty (Rao & Walton, 2004). Along with the Inter-American Development Bank, the World Bank now champions the notion of 'development with identity' and devotes significant resources to support indigenous organization (Hale, 2006a).

Responding to these changing conditions and the need to have access to international development assistance, many Latin American countries added policy

packages aimed at decentralizing government, encouraging popular participation in economic development projects, modernizing the national infrastructure, and targeting indigenous populations. While they adopted different approaches, both Bolivia and Guatemala were drawn into policy innovations that would fit with their national realities and respond to the pressures to promote participation and multiculturalism in development.

The Conditions for Participation

From the point of view of the development of citizenship, Bolivia and Guatemala can be characterized as countries that had similar colonial and republican histories. However, it is also important to highlight – particularly taking into account the definition and limitation of possibilities for social transformation that will be examined here – the marked differences in the trajectories and details of their processes of state formation. Especially relevant were the divergent outcomes of both countries' nationalist revolutions. While there have been critiques of the ways in which Bolivia's modernizing elites manipulated the National Revolution of 1952 and eventually limited its impact through the imposition of a structure of corporatist 'peasant unions' (Malloy, 1977; Laserna, 2002), there is no doubt that the political basis for ethnic relations and land ownership in the country were permanently changed (Postero, 2006). In addition to a very significant land redistribution, the revolution produced a political culture in which varied forms and expressions of national identity, modernity and political organization were joined together, albeit in severe tension (as in the blurring of *indigenous* with *peasant*); and in which the state was forced to continuously reaffirm its legitimacy through the renegotiation of a social pact with its recognized diverse popular base (Laserna, 2002). In marked contrast to Bolivia, Guatemala's 1944 nationalist revolution did not generate such a lasting transformation of the nation's political economy. In the 10 years following the revolution, the new Guatemalan governments wrote a new constitution, broadened suffrage to include the country's indigenous citizens, encouraged an active labour movement, and passed legislation on agrarian reform, a labour code, and university autonomy. However, because of the severity of the counter-revolution and the ensuing civil war, all progress in the direction of freeing up inter-ethnic relations and restructuring land ownership was stopped (Grandin, 2004). Indeed, as the country plunged into civil war, the ethnic and class divisions became increasingly polarized. The brutality of the repression, the gaps between egalitarian rhetoric and authoritarian practices, and the adamant denial of Mayan cultural rights as a principle of revolutionary politics created conditions that would prove poisonous to the relations between the indigenous groups and the guerrilla movements. These conditions persisted after the end of the civil war, when the guerrillas demobilized and formed the political party Unidad Revolucionaria Nacional Guatemalteca.

It is important to highlight these differences because they became long-term historical factors that would condition the political scene and the space for the

articulation of indigenous demands in the more recent political evolution of both countries.

Bolivia: From Blueprint to Crisis

It is difficult to synthesize a decade of development and political protest in the space of a few pages. However, as Laurie and Marvin (1999) and Assies (2003) have shown, it is possible to trace the roots of Bolivia's ongoing political processes to the introduction of neoliberal economic policies in the 1990s⁸ and the growing credibility gap in the attitudes towards these reforms and the government's parallel efforts to introduce *Bolivia La Nueva*, a design for social development that ostensibly stressed multiculturalism and greater grassroots involvement in local, autonomous governance⁹. Among these efforts, the main elements were the legislation on Popular Participation and administrative decentralization and the opening of a national public dialogue on development as part of the country's involvement in the International Monetary Fund's initiative to elaborate Poverty Reduction Strategy Papers.¹⁰

Thus, by the early 1990s Bolivia was seen by many external analysts as a country that was making good progress towards the achievement of international standards for development and democratization. Within Bolivia, however, there was increasing criticism of the limits that were set to participation. Rather than providing a real sphere for democratic deliberation on public policy, the state reforms were seen as a way to cajole certain groups into a prescribed methodology of participation in public policies that remained controlled by the state. Contrary to the pervading rhetoric of responsive openness, my own research (McNeish, 2001, 2005) has shown that the formulation of municipal development plans was heavily influenced by external consultants belonging to the Regional Development Corporation – CORDES. The duties of these consultants included facilitation and training in participatory methodologies to help local people articulate needs, perceptions and priorities. However, they were also required by the government to fit local priorities into a standard format to be presented to departmental authorities (Blackburn & Holland, 1998). In 1997, these controls caused a local mayor to throw up his hands in frustration and state that 'the central government always seems to have a different perspective than ours; they seem to have real problems integrating our ideas with those of the Departmental Development Plan' (interview with the mayor of Santuario de Quillacas, southern Oruro, November 1997). His sense of the hollowness of participation in local politics and development was shared by many other people interviewed during my period of research in Santuario de Quillacas in 1997 and 1998. As a result, the reform package of *Bolivia La Nueva* generated mistrust of the government and, more generally, of the neoliberal policies of modernization. At local levels, there was a growing perception that, for all the talk about participation and regional autonomy, capitalism and the free market were taking away vital development resources, as well as regional and local control (Laurie & Marvin, 1999).

The introduction of participatory legislation further coincided with the solidification of the perception that the time was ripe for paying attention to

indigenous and human rights in the country. While the indigenous movement had not been successful in building its own political platform, its actions and particularly the lowland groups' March for Territory and Dignity in 1991 produced significant attitudinal changes. Important sectors of urban residents became aware of the fact that the country's large native population was not going to be assimilated into a *mestizo* nation-state, and that they had a lot in common with the indigenous groups in terms of concerns over standards of living and income security. On the other hand, the indigenous mobilizations also caught the attention of non-governmental organizations and international donor organizations, which, in turn, stepped up their efforts to introduce the ideas of 'rights-based development' in Bolivia.¹¹

The Popular Participation reforms of the 1990s helped create a political context in which opportunities for new political formations and alliances also began to take shape, first locally and then at the national level. In municipal elections an increasing number of mayors and local officials made a point of emphasizing their non-partisan identification during and after the campaigns. By the end of the decade, 29 per cent of those elected in these municipalities were indigenous even if they were not themselves members of indigenous parties (Albó, 2002, p. 82). Both in the highlands and the lowlands, the Popular Participation reforms stimulated new forms of political representation, different from the trade-union structures that had played such an important role in local mobilizations and government since the 1852 nationalist revolution.

As Assies (2003) has shown in his analysis of the Cochabamba Water War, a new blueprint for regional organization became important: the *Coordinadora*. The Cochabamba Coordinadora emerged in 1999 as a loosely organized movement that took a variety of initiatives and managed to gain broad sympathy among the population. Initially based on neighbourhood associations and civic committees, the Coordinadora was expanded across traditional class lines and beyond city limits through strategic alliances with organizations such as the unions of factory workers, the Federation of Engineers (SIB), the Federation of Cochabamba Irrigating Farmers (FEDECOR), and the coca growers association – the *cocaleros* (Assies, 2003). Despite the fact that it started as a single-issue movement and retained its network-like structure, the Coordinadora's town meetings and referendums set a precedent of direct democracy that, in addition to inspiring the protests that put an end to the *Aguas de Tunari* concession and forced a review of Bolivia's Water Law, was also followed in struggles on other issues such as electricity rates and recovery of privatized state enterprises. Eventually, it became clear that the example of the Coordinadora was having an impact on social and political demand-making throughout the country at large: in a context in which the traditional trade-union structures had been weakened and consumer issues were taking a more central place, the territorial mode of organization was rapidly gaining importance as more and more network-like structures were created in order to raise specific demands on issues that were shared by a variety of groups (Assies, 2003, p. 34).

The effectiveness of these alliances was reflected in the electoral performance of new political parties. In the 2002 general elections Sánchez de Losada won the

Presidency for a second term with 22.5 per cent of the vote, but the results of the election were unexpected. Rather than continuing to vote for the established political parties, an unprecedented percentage of the population cast ballots for newly formed political parties¹² Most surprising was the impressive support received by the Movement for Socialism (MAS), led by Evo Morales, the leader of the Aymara-Quechua association of coca growers. More than any other party, the MAS represents the convergence of a broad range of groups and interests, including the *cocaleros*, most peasant and indigenous sectors, and the traditional left in both urban and rural settings. In Morales's own words, the MAS represents the 'synthesis of the poor in Bolivia'.¹³

Morales and his *cocalero* movement were among the first to take advantage of the new political possibilities opened by the Popular Participation Law. They decided to participate independently in the first municipal elections under the new legislation (Albó, 2002). For this purpose, and because according to the electoral law only political parties can compete in the polls, they formed the party Sovereign Assembly of the People. When the Electoral Court refused to register the Sovereign Assembly of the People candidates on the grounds that the party lacked a legal title, Morales and his group registered as candidates of the MAS (a party that had a valid title but had long been inactive). Under this borrowed name they won a majority in the rural area of Cochabamba, creating a situation in which the 'enemies' of the state's war on drugs came to democratically control the main local expressions of that state. Encouraged by this success, they ran for Congress in 1997, winning four seats in the chamber of deputies. In 2002 the MAS participated in the national elections, with Evo Morales as one of the main contenders for the presidency.

Consolidating its standing as a national force, the MAS participated in the spectacular mass protests of 2003–2005. In these protests, which brought together a broad spectrum of social sectors and political organizations, the popular movement achieved the critical mass that was needed to topple the government of Sánchez de Lozada. On 19 September 2003, the National Coordinadora for the Defense of Gas mobilized 30,000 people in Cochabamba and 50,000 in La Paz to demonstrate against the project to export gas through a pipeline connected to a Chilean port. The following day, six Aymara villagers, including an eight-year-old girl, were killed in a confrontation in the town of Warisata after government forces used planes and helicopters to circumvent the road blockades and evacuate several hundred tourists that had been stranded for five days in Sorata. In response to the killings, Bolivia's Trade Union Confederation (COB) called for a general strike that paralysed the country, insisting that the strike would continue until the government backed down on its decision. Poorly armed Aymara community militias drove the army and police out of Warisata and the towns of Sorata and Achacachi. Eugenio Rojas, coordinator of the regional strike committee, and Felipe Quispe, leader of the highland Aymara Indigenous Movement Pachakuti party, announced that if the government refused to negotiate in Warisata, the insurgent Aymara communities would surround La Paz and cut it off from the rest of the country. As the protests continued, residents of El Alto, a sprawling indigenous city of 750,000 people on the

periphery of La Paz, joined the mobilization, blocking key access routes to the capital and causing severe fuel and food shortages. The El Alto protesters linked their local grievances over the higher prices of water introduced by Aguas de Illimani to the demands of the National Coordinadora for the Defense of Gas. In Cochabamba, Santa Cruz and Oruro, further demonstrations were staged raising issues related to regional investment and autonomy. Teachers, university students, public service workers, market traders, and transport workers also joined the protests, adding their complaints about wages and the cost of services to the general demands of the National Coordinadora. Shouting 'Lozada assassin, the people do not want you, *carajo!*', the protesters began to demand the resignation of the President and his ministers.¹⁴ On 13 October 2004, the government suspended the gas project. However, as a result of the universal repudiation of the 'excessive force' used against the protesters and the withdrawal of Vice President Carlos Mesa's support, the ruling coalition was fatally weakened and President Sánchez de Lozada was forced to resign.

Carlos Mesa assumed the presidency, declaring his commitment to the proposal of convening a new Constituent Assembly.¹⁵ Over the next few months, however, his indecision encouraged renewed protests. Finally, on 2 June 2005, the president announced that he was willing to hold elections for the Assembly and address the issue of regional autonomy in a referendum. But the announcement came too late. Because of the government's previous reluctance to address these issues, the leaders of the different opposition movements refused to end their protests and Carlos Mesa was forced to resign. This was the background of Evo Morales's successful bid for the presidency on an electoral platform that emphasized social and political inclusiveness.

Guatemala: A New Kind of Violence

As in Bolivia, indigenous and peasant groups in Guatemala have welcomed the opening of spaces for participation and the formal recognition of their cultural rights, and, at the same time, have expressed their dissatisfaction with the constraints that have characterized these policy changes. What makes Guatemala different, however, is the lack of dialogue among the marginalized groups and the visible disagreements among the movements that follow an indigenous or leftist peasant line. These divergences at the heart of Guatemalan civil society have resulted in a more sporadic, less pointed contemporary trajectory of protest. Another specificity of Guatemala's social context is the link between poverty, political disillusionment, and the high levels of civil and youth violence in the country.¹⁶

In Guatemala, the introduction of participation and multiculturalism came in the wake of the Peace Accords of December 1996.¹⁷ In addition to specifying conditions for the end of military action and disarmament, the accords defined long-term principles for reconciliation and embraced commitments to democracy, human rights and putting an end to poverty. The country quickly became a target of international aid, mostly focused on Mayan civil society as privileged recipient. In accordance with the contents of the Peace Accords, civil society organizations gained a formal seat at the government's table and were invited to workshops on

political participation and training sessions on community management and conflict resolution.

The signature of the Peace Accords ended outright conflict and bought time to the Guatemalan Government, but the frustrating experiences of negotiation in different official committees¹⁸ and the constant need to compromise eventually led to renewed militant demonstrations. In the course of the late 1990s and early 2000s it became increasingly clear to the Mayan activists and the Guatemalan indigenous communities in general that, despite their participation in official committees that had been empowered by the government to make decisions on the issues, several factors conspired against the possibility of substantial advances in the area of indigenous rights, including the imbalance of competences, the foot-dragging of government representatives, the outright opposition of some government ministries, and the inflexibility of the accords themselves (Cojtí Cuxil, 2002; Carey, 2004).

The protests started in 2000, when the Coordinadora of Peasant and Indigenous Organizations launched a campaign for further political rights within the framework of the 'mayanization' of the national state. Taking advantage of changes in the national electoral law that allowed independents to compete, many indigenous candidates succeeded in circumventing political parties, winning local elections, and taking control of municipal governments (Hale, 2002). Throughout the country, the municipal electoral contests stimulated the formation of civic committees that made efforts to secure better representation of public interests by electing non-aligned candidates to the local councils.¹⁹ In 2003 the teachers' unions staged a national strike against plans to down-size public education, and in the course of 2004 and 2005 there was a multiplication of protests explicitly opposing the government's neoliberal policies on various issues. These protests converged around key political themes such as the discussions on the formation of a Central American Free Trade Agreement,²⁰ the granting of mining and water concessions to private companies, and the creation of a National Land Registry.²¹ While many of these actions were separately organized by different groups, the nature of the demands and the ways in which they were framed left no doubt about the fact that there was a common link related to the negative impact of globalization, neoliberalism and the persisting exclusion of the popular sectors from vital areas of national decision-making.

The confrontation that received the most extensive media coverage was the campaign against mining, which started in the northern Department of San Marcos in September 2004, spread south in January 2005 to the Department of Sololá, and involved blockages of the Guatemalan section of the Pan-American Highway.²² The actions in San Marcos and Sololá were organized by a variegated collection of groups, including peasant and indigenous communities, environmentalists, the party Unidad Revolucionaria Nacional Guatemalteca,²³ Catholic Church grassroots organizations, and 19 provincial mayors who coordinated the media and mobilization campaign. While their main goal was denouncing the government's support for foreign mining ventures and impeding the shipment of materials and equipment for gold and silver mines, the protests were also used as a platform to

condemn the proposed free trade agreement and the government's exclusion of the popular sectors in its discussions on plans to expand the free-market reforms. The way in which all these issues connected was summed up in the following comment from the Mayor of the Indigenous Municipal Government in Sololá:

Why have they not informed us, why have they not acknowledged us, and given us the chance to discuss if we agree or not? What we want is new technologies for agriculture. Why has this not been heard? Because the system gives that priority to other products from outside and not to what we produce. We are not going to be able to confront the free-trade treaty and the commercialization with the United States on our own. Our products are rotting because we do not have know-how. We do not know how to industrialise our products, they have not taught us. As a result, one of the most important struggles of the municipality is this; to inform and consult and make clear to the government that we are not in agreement.

(Interview with Dominga Vásquez Julujuy, June 2005)

Among the disputed mining projects, the Marlin mine near the towns of Sipacapa and San Miguel Ixtahuacán has been particularly salient. Owned and operated by Montana Exploradora de Guatemala, a subsidiary of the Canadian company Glamis Gold, the mine spreads over some 250,000 acres and is expected to yield 250,000 ounces of gold and 3.6 million ounces of silver annually (White, 2005). The mine is supported by the government and has also received financial backing of up to \$45 million from the International Finance Corporation, the private-sector arm of the World Bank. Supporters of the project say that Guatemala, one of the hemisphere's most impoverished countries, is in desperate need of this kind of foreign direct investment in order to boost government coffers and produce jobs. However, the arguments for the mine (and for the rest of the approximately 300 exploratory concessions granted by the government in recent years) are criticized by opponents who highlight the likely costs in terms of social and environmental damages.²⁴ While the mining company insists that it has put in place protection systems and that the concerns have been exaggerated, the environmentalists point to the problems caused by similar projects elsewhere. According to the local communities and other groups involved in the protests, these problems are compounded by the fact that the mining operations were approved without consultation with the local communities and that, under existing contractual regulations, companies like Montana pay a mere one per cent royalty fees. The mining company claims that its operations 'count with local support', but a poll conducted in 2004 by the survey company Vox Latina showed that 95 per cent of the locals disapproved mining activity under the existing conditions (White, 2005).

After the intense protests of Sololá, periodic demonstrations opposed to mining and to broader issues such as free trade and Central American Free Trade Agreement have continued.²⁵ At the same time, local communities in Guatemala have been searching for other ways to express their opposition to government policy. In summer 2005 two local referendums (*consultas populares*) were held with considerable national media coverage. One of them, in the municipality of Sipacapa, consulted local opinion on the issue of the gold and silver mine. The other

referendum, in the Alta Verapaz municipality of Río Hondo, focused on the responses to the plans to build a hydro-electric dam. In both cases, the results demonstrated that there was strong local opposition to these government-backed development projects. They also proved that the citizenry wanted to have a say in local development decision-making, precisely the kind of participation that is currently denied by the existing departmental governance structures. Despite the legislation on decentralization in 2001, democratically elected Community and Municipal Development Councils – COCODES and COMODES, respectively – have no effective control of state finances or local development plans. All the planning and financing for development is in the hands of government-appointed district governors and officials of the Departmental Development Councils – CODODES.

The government's response to the referendums was to insist that international contracts and development projects were matters of national economic policy and that the projects in both locations would continue as previously planned. This unwillingness to negotiate and recognize their democratic process has intensified the locals' feelings of disillusionment, frustration and anger. These sentiments were further reinforced by the government's paltry emergency assistance to the local communities that suffered the ravages of tropical storm Stan in September 2005. Despite the destruction of crops and local infrastructure, many of the communities that were hit by the storm have not received reconstruction assistance or help from the government to prepare for the return of the hurricane season.

There are also some grounds to link the feelings of disillusionment, the government refusal to respond to local needs, and the pervasive poverty to the rising levels of violence in Guatemala. As noted by Handy (2004, pp. 534–535), 'the Peace Accords signed in December 1996 did not pave the road to peace and an end to violence and social dislocation, and the presence of lots of guns led to accelerating rates of criminal violence and decreasing levels of confidence in the police and judiciary.' In 2001, the government estimated that there were more than two million illegal weapons in the country.²⁶ Two studies of the Inter-American Development Bank have shown that Guatemala has the highest levels of violent crime in Latin America.²⁷ In February 2006, Guatemala's Human Rights Ombudsman Sergio Morales stated that 'the World Health Organisation's threshold for defining an epidemic of violence is 10 homicides per 100,000 residents, and here we are up to 40'.²⁸

The Guatemalan Government blames most of the violence on the existence and steady expansion of youth gangs, or *maras*, but no official investigations have been carried out to confirm or deny this claim. Some independent scholars and human rights organizations such as the Association for Crime Prevention (APREDE) maintain that secretive organized groups, possibly elements of the para-military patrol groups that acted openly before the peace accords, are now engaged in a 'social cleansing' scheme that the government does nothing to stop and that involves the targeting and murdering of supposed delinquents and people who have non-conformist lifestyles. Clearly, there is a need for a more nuanced explanation

of the high levels of violence in Guatemala; an explanation that should take into account the issues of social marginalization and exclusion from participation.

In addition to the urban criminal violence, the country has also seen a rising number of lynchings (*linchamientos*) in the rural areas. The now defunct United Nations Commission for Guatemala (MINUGUA) reported 421 cases of lynching in the country, with 817 victims and 215 deaths between 1996 and 2001 (Torres-Rivas, 1999; Handy, 2004). In 2001 the minister responsible for decentralizing government services declared that one-third of the municipalities in the country were 'ungovernable'.²⁹ In the Guatemalan press and in the publications of various social and academic institutions, one can find different kinds of explanations of these events: that they reflect the illiteracy and poverty of rural people (lynchings often occur when someone trespasses on private property or steals foodstuffs); that they are driven by the inefficiency of the police and inspired by the impunity of crimes; that they are an attempt to challenge the authority of the state; that they are a result of the war and military counter-insurgency; or that they are a consequence of the inappropriate nature of the judicial institutions. It is likely that all of these explanations have some value as explanations of the roots of this kind of violence. However, reflecting on the conditions of local and national democracy that were described above, a further interpretive hypothesis might be that the lynchings are 'spectacles' that ventilate the anger and exasperation of common people who experience the state's failure to provide security and reduce the poverty³⁰ and want to call attention to the government's refusal to give participation to peasant and indigenous groups in key areas of decision-making. Here, it is worth noting that Goldstein (2004) has convincingly made the argument of 'violence as spectacle' to explain cases of lynching and vigilantism in the Bolivian city of Cochabamba, where the levels of violence and the number of lynchings are much lower than those seen in Guatemala.

Indio Permitido

In Bolivia and Guatemala, neoliberal economic policies have been accompanied by an emphasis on multiculturalism and reforms purportedly intended to promote popular participation. As a result of these reforms, there has been an increase in the numbers of indigenous peoples taking part in local politics and decision-making. Furthermore, the introduction of these reforms created avenues for the incorporation of increasing numbers of indigenous people as state employees, not only at the local level but, to some extent, also at the national level. The opening of spaces within the state has also been used by indigenous groups to try to gain a foothold in processes of decision-making that affect their communities and the country. However, as we have seen in the previous sections, it soon became clear that the spaces opened by the politics of multiculturalism and participation were narrow and fraught with limitations.

It is with these limitations in mind that, in the separate contexts of Bolivia and Guatemala, Hale (2004) and Rivera Cusicanqui³¹ have used the phrase *indio permitido* to refer to situations in which, while indigenous culture is now permitted,

the interests and demands of the native populations remain subordinate to those of the *mestizo/ladino* (mixed race) society, the dominant national identity, and the wider international community. Most analyses of multiculturalism assume that indigenous and neoliberal struggles stand in some sort of fundamental opposition. Hale (2002) argues that this assumption is misleading because it neglects what he calls the formation of 'neoliberal multiculturalism', in which proponents of the neoliberal doctrine proactively endorse a substantive, if limited, version of indigenous cultural rights, as a means to solve their own problems and advance their own political agendas. In his own words: 'Conventional wisdom identifies the negative effects of neoliberal policies enacted and opportunities foreclosed as the greatest threat to indigenous peoples. This effort to probe neoliberal multiculturalism should be understood as an exploration of the 'menace' inherent in the political spaces that have been opened' (Hale, 2002, p. 487).

Multicultural reforms have produced novel spaces for conquering rights, stimulating the development of new skills that often give indigenous struggles a sophisticated allure. However, as Hale argues, we must become aware that a menace resides in the accompanying, unspoken parameters of these spaces: the reforms have pre-determined limits; benefits to a few indigenous actors are predicated on the exclusion of the rest; certain rights are to be enjoyed on the implicit condition that others will not be raised (Hale, 2002). Neoliberal multiculturalism structures the spaces to be occupied by the cultural rights activists. It also defines the language of contention (Joseph & Nugent, 1994), deciding which rights are legitimate, what forms of political action are appropriate and even arbitrating basic questions about the meaning of being indigenous. In this sense, multiculturalism mimics wider neoliberal policies that promote self-governance and civil society organizations. In international development, civil society organizations have acquired a great deal of importance as primary vehicles of change, and the neoliberal state has unloaded the responsibility to resolve problems on its citizen-subjects (Foucault, 1991; Rose, 1999). However, as individuals and voluntary organizations have assumed these responsibilities, they have also accepted and/or become susceptible to efforts from above to limit the ends and form of their new participation. The implications of this for cultural politics is that indigenous communities, rather than being destroyed, become alongside other entities of civil society mechanisms for remaking the Indian as similarly self-made but also governed citizen-subjects (Hale, 2002, p. 496).

Pushing the Envelope?

Although perhaps not aware of all the implications of the neoliberal reforms and Hale's notion of *indio permitido*, indigenous people have recognized the limitations of their citizen status and participation. Increasingly, they have been generating their own critique of the rhetoric of rights-based development policy. This, in turn, has fed into the growing discontent with national definitions of democracy and other government policies; a discontent that is expressed through actions that lay beyond the permitted socio-cultural field. As Deborah Yashar has made clear, despite the ongoing celebration of a third wave of democratization, Latin American democratic

institutions are far from consolidated and ethnic movements are contesting the foundations and contours of these liberal institutions (Yashar, 1999). I wish to highlight in this paper that these ethnic struggles are mainly led by the region's indigenous movements. But it should be kept in mind that this is not exclusively the case. A curious irony, and therefore ambiguity, of multiculturalism is that one of the groups that has been most successful in manipulating its politics into a movement for autonomy is predominantly white and elite. The self-proclaimed 'Camba Nation' of lowland Bolivia threatens secession from the Andean portion of the country demanding, at a minimum, autonomy from central government. The *cambas* have mastered the rhetoric of historical disadvantage, ethnic difference and cultural self-determination to defend their interest in benefiting from the exploitation of local hydrocarbon resources and fostering a booming economy in the region (Lowrey, 2006).

As we have seen, at the same time as they sponsored participatory policies, the governments of Bolivia and Guatemala, like those of other Latin American countries, introduced a series of economic reforms aimed at trade liberalization and the efficient marketing of national natural resources. While the native groups and other marginalized sectors of the population have been given greater participation, indigenous activists and other critics in both countries have maintained that the economic reforms were decided upon without sufficient consultation or consideration of their impacts on these same marginalized sectors. In fact, consultations did take place in both countries,³² but there were clear limits to the numbers and kinds of civil society representatives that were included in them. In particular, there were few or no representatives at all from organizations that had a profile of contentious political or economic demand-making, such as unions and indigenous movements. In both countries, these 'non-civil society' and 'non-permitted Indians' were not welcome. Indeed, even among the civil society representatives that participated in the consultations there was disappointment with the results, mainly because it was felt that the government officials did not pay any real attention to the alternatives proposed in the meetings and that the decisions had already been taken before the start of the discussions.

Facing their exclusion from decision-making and the hollowness, or depoliticized nature, of the participation granted by the reforms and in the dialogues with international institutions, the activists of the Bolivian and Guatemalan indigenous and peasant movements were able to gain public support in their struggle to oppose further economic reforms. Paradoxically, it is possible to argue that, by opening restricted avenues into local decision-making and government, the multicultural and participatory reforms created the spaces and mechanisms that would allow indigenous protest to grow. This argument is different to the argument advanced by Hale, whose notion of *indio permitido* stresses the idea that the rise of multiculturalism led to an impasse in the movement for indigenous rights. In his work on Guatemala, Hale states that 'the moment when Mayan identity politics represented a frontal challenge to the state has passed, giving way to a phase of much greater involvement of powerful actors in the formulation of identity-based demands, intense negotiations from within powerful institutions, and inevitably greater

internal dissent within the movements themselves' (Hale, 2006a, p. 37). I believe that this conclusion should not be seen as the end of the matter. My argument is that despite, or precisely because of, their limitations, the neoliberal participatory reforms created an environment of discontent in which the indigenous groups, and also other excluded or downwardly mobile sectors, have been rethinking their involvement in social relations. Those who are dismissed as poor Indians (*indios pobres*), by conservative intellectuals and national elites, are engaged in a process in which the limits of the *indio permitido* are being pushed beyond the static confines of the neoliberal developmental reforms or earlier history.

Beyond the *Indio Permitido*

Following the forced exile of President Sánchez de Losada in 2003 many Latin American liberal intellectuals and politicians, including Mario Vargas Llosa, denounced the protests in Bolivia as a danger to the political and social order and to the progress of democracy in Latin America.³³ The analysis of the processes of reform and protest in Bolivia and Guatemala shows that this neoliberal critique is hopelessly simplistic. Rather than appearing as passive victims of those who come to steal their natural resources, marginalized sectors have been confronting perceived threats in an active and innovative manner. While control over natural resources has indeed been central to the protests, it is also clear that it has appeared as something connected to the broader issues of productive and consumption rights; that is, cost of services, wages, property and even exclusion. What we see in the course of events in Bolivia and Guatemala is the utilization of government reforms and institutions of local government to break with the polarized political culture of the past and generate a more complex, and also more nuanced, political culture in which a primary aim is to rethink the representativity and responsiveness of state structures. In this newly politicized context, new political formations and strategies have been created. The current discussions of regional and ethnic autonomy and the convening of a Constituent Assembly (*Asamblea Constituyente*) by Evo Morales' Government in Bolivia reflects an official acceptance of the need for this process of reflection. Without the same degree of direct political expression that brought an indigenous leader to power in Bolivia, the focus on local elections, the creation of Civic Committees, and the use of local referendums to circumvent party politics and put pressure on the government demonstrates that also in Guatemala there is a significant degree of fresh thinking on the part of indigenous civil society.

As noted by several authors, the character of the Bolivian *coordinadoras* as plural, multiple constellations that mix the language of class struggle with a politics of democratic possibility is also particularly noteworthy as an example of innovative political formation (Assies, 2003; Crabtree, 2005). Indeed, the *coordinadoras* require us to reconsider the existing definitions of old (class, material) and new (single issue, rights based) social movements in Latin America and elsewhere (Hardt & Negri, 2004). Bolivia has also been a site of innovation in the terrain of the definition of indigenous identities. Indeed, the Bolivian innovations in this area mark a significant contrast with the processes that are taking place in Guatemala. From this contrast we

can identify elements that contributed to the success of Evo Morales' campaign and placed limits on the indigenous efforts to generate sufficient pressure for change in Guatemala.

In recent writing there has been an increasing awareness that the same globalization processes that have led to the homogenization of economic, security, and developmental policies have also opened possibilities for cultural political strategies aimed at resisting the homogenizing forces and stressing indigeneity. However, this indigeneity is not just about the indigenous groups as such, but about a process of identification in the contemporary global arena that is a powerful expression of the overall transformation of the system (Friedman, 1999). The process of ethnic fragmentation is a global phenomenon and fragmentation is particularly salient in the downwardly mobile segments of the system. As a result it is now possible to talk about a global indigeneity not only as a cultural issue, but as a wider social issue in which identities can be ethnic, territorial or national.

With this in mind it is interesting to note that the last Bolivian census records 63 per cent of the population as declaring an indigenous identity (Instituto Nacional de Estadísticas [INE], 2003, p. 157). There is no comparable data from previous censuses, but it had been generally assumed for decades that indigenous identity was linked to language use, which was in decline.³⁴ There is now every indication that urbanites are changing their habits and a large number of people are choosing to identify themselves as indigenous even if they do not live in an indigenous community or speak an indigenous language. As Canessa (2005) tells us, this is not only an indication of *mestizos*, or people of mixed racial identities, moving back into the solidity of the indigenous, but a sign that the idea of the indigenous is expanding into social sectors that, in the past, would never had considered the possibility of identifying with what has always been a negative, highly racialized category.

In the light of this, it is arguable that Evo Morales' presidential campaign was successful because the MAS, in contrast to other indigenous movements, accepted this change in indigenous identity and used it as the basis of a platform that was inclusive enough to build linkages with other sectors, including the white politically left-leaning middle class. On comparative reflection, it is also arguable that one reason that accounts for the fact that the indigenous movement in Guatemala has been politically much less successful is the continued dominance of a more essentialist understanding of ethnic identities. At time when anthropologists and other scholars have turned to constructivist and relational explanations for identities and ethnic differences, the Guatemalan Mayan activists have clung to a more essentialist notion of their 'Mayaness' in order to defend their political legitimacy (Fischer, 1999). While it is not shared to the same extent, or in same way, by all groups in the Mayan community, the essentialist *Mayanismo* of organizations such as the Coordinadora of Peasant and Indigenous Organizations expresses ideas of racial, cultural and territorial differences that are strongly mixed with Mayan spiritual and cosmological beliefs. It is this essentialist approach to Mayan identity that explains the current conceptualization of interculturality (*interculturalidad*) in Guatemala, an idea originally proposed by government representatives in 2000 as an alternative to multiculturalism. The key prescription of the essentialist approach is Mayanization

(*mayanización*), which continues to insist on a zero-sum game of self-determination that rejects the formation of alliances with other marginalized or political sectors as a way to expand Mayan influence within the Guatemalan state.

This essentialist stance may also help to explain why the protests and political mobilizations in Guatemala have remained fragmented, lacking the coordination and critical mass that would be necessary to pressure the government sufficiently for change. This is an important observation, but admittedly deals with only part of a larger social picture in which we must also recognize divisions within the Mayan community itself. As Bastos and Camus (2006, p. 319) have written, 'The Mayan movement is diverse and changeable . . . , but has also lost definition and political importance because of internal problems of coordination'. These internal problems reflect divergent understandings, but also levels of pride, class and economic hierarchy within the Mayan population. Another element to be considered is the divisive impact of what Hale calls 'racial ambivalence' (Hale, 2006a); namely, the fact that while Mayan culture is celebrated as a universal symbol of the nation, the majority of the *ladino* (*mestizo*, or mixed blood) population (and a part of the Mayan population itself) denies, denigrates and excludes indigenous culture in daily life.

While we are mainly interested in the way in which identities are positioned in the present, we should keep in mind that the Mayan movement's essentialist understanding of identity has had a lot to do with the already mentioned damage of historical relationships with the leftist guerrillas during and immediately after the long years of the country's civil war. Indeed, as Greg Grandin powerfully states, 'The Cold War destroyed this vision of a social and historical commons' in Guatemala (Grandin, 2004, p. 196). A deeper understanding of today's Mayan essentialism and political fragmentation in Guatemala must combine the analysis of current conditions with the much longer sweep of historical relationships and political structuring that were formed and frozen in the zero-sum politics of those earlier years.

The shaping of politics in contemporary Bolivia is also dependent on forces and structures formed in the processes and catalysing events of the country's earlier history. While the recent protests and political changes mark a break with multicultural neoliberalism and the pacts of the 1952 revolution, the collective forms of organization continue to have considerable salience. Lazar has argued that the dramatic heights reached by the October 2003 uprising in Bolivia reflected the fact that the state refused to attend to marginalized social sectors in the traditional way (Lazar, 2006). Rather than engaging in the normal cycle of protests, negotiations and agreements (with the government reneging on promises and the people renewing their protests), President Sánchez de Lozada chose to denigrate popular demands and resorted to the use of massive state violence. Lazar argues that this was an unacceptable violation of a social pact that, if moribund, still held moral sway (Lazar, 2006). Although this argument falls short of recognizing the importance of the recent innovations, it is correct in emphasizing that the past continues to have a role in shaping the possibilities, relationships and behaviours of the insurgency and its protagonists.

Remaining Limitations?

In Bolivia and Guatemala it is possible to see that the multicultural project of the *indio permitido* has its limits. As a result of the subtlety and contradictions of this project, the indigenous movements and groups have had to define innovative strategies and structures in their efforts to circumvent its limits. These strategies, structures and efforts all indicate a desire to go beyond the permissions of the *indio permitido*. In Bolivia this move beyond has clearly gone much further than in Guatemala, and explanations as to why this is the case must be linked to differences in both countries' short-term and long-term histories. What remains to be elucidated is how far these moves really go beyond the current accepted norms of international politics, especially at a time when Evo Morales, along with other Latin American leaders like Hugo Chávez, Inacio Lula da Silva, and Néstor Kirchner, is being branded by foreign governments and the conservative international media as a populist threat to the region.

With the indigenous political victory of the MAS and Evo Morales, the political culture of the *indio permitido* appears to have been circumvented. But what about the political basis of the new government? The Bolivian Water and Gas Wars, and also the Guatemalan protests against mining and free trade, were sparked by separate rejections of global economic policies and an impulse to rethink the limits of national sovereignty. However, although the protestors rejected the free trade model and granting of concessions by the government, they did not oppose the idea of modernization *per se* or the notion that it is worthwhile to take advantage of new opportunities in the international market. What they wanted was to force the government to truly recognize cultural and regional identities, renegotiate the terms of trade, and restore a measure of control on liberalization. One of the MAS election posters, still visible on the walls of La Paz, states that their demands were 'not an issue of the right or the left, but of national dignity'. This fits with Yashar's point that 'unlike the class-based guerrilla wars of decades past... indigenous activists and movements do not seek to overthrow the state but rather are looking to reform democracy' (1999, p. 76). In a recent work, Postero (2007) analyses the recent events as a milestone that marks the beginning of a post-multicultural Bolivia. While one may take exception to the suggestion of such an abrupt shift, Postero's study convincingly argues that the struggles of Bolivia's peasant and indigenous groups seek to reform, rather than reject, fundamental ideas about the nation, multiculturalism, neoliberalism, and democracy. This emphasis on the ability of marginalized people to think for themselves fits well with Fischer and Benson's point that the involvement of Guatemalan broccoli farmers in the global marketplace is motivated by a desire for 'something better, and not necessarily something radically different' (Fischer & Benson, 2006, p. 162).

It is this 'something better' rather than something 'radically different' that appears to be in the process of being established in Bolivia. The fact that the Bolivian protesters sought to repeal government regulations and ended up overthrowing two presidents does not mean that their protests were necessarily

anti-state. In essence, the upheavals expressed the aspiration to reach a new social pact between the state and the people. And indeed, rather than proposing revolutionary solutions to the country's problems, the Evo Morales Government has mobilized broad public support to follow the tried and tested liberal formula of relying on a Constituent Assembly as the preferred means to articulate the new social pact.³⁵

Questions can also be raised about the stability of the reconfigured Bolivia. Morales won the presidency with an impressive 51 per cent of the vote, but there are still many in the country who see him as a threat to national stability. While successful in winning elections, the MAS platform is far from stable and as expansive as the new government's political rhetoric. On the other hand, the conflicts over the agenda and workings of the Constituent Assembly have made it clear that Evo Morales cannot count on the support of the traditional elite, the traditional political parties, or the *camba* establishment in Santa Cruz. Indeed, while the government is fulfilling its pledges to reform the structure of land and resource ownership in the country, the ongoing public debates seem to indicate that the broad political platform of the MAS is crumbling at its edges as worker and peasant organizations express their frustration with the pace and scope of policy implementation. In the early months of 2007 the work of the assembly had all but stopped as a result of disagreements and concerns about the extent of the government's control over its decision-making procedures.

Since taking power, the Evo Morales government has been extremely careful to balance its radical discourse of economic nationalism with pragmatic efforts to remain in favour with foreign investors. While the government rejected the terms of the free trade agreement with the United States, it has also made clear that it continues to be interested in foreign investment and more favourable international trade deals.³⁶ Despite its pledge to nationalize oil and gas production, the government is re-negotiating the existing contracts with international companies and giving assurances that the hydrocarbons will continue to be exported. It is unclear, however, whether these efforts to balance radical rhetoric with pragmatic action will meet the expectations of international investors. Bolivia has enormous reserves of natural gas and oil that could provide the basis for a new prosperity in the country, but the achievement of such prosperity depends on attracting considerable foreign capital and expertise. Some analysts have pointed out that the strong anti-imperialist, anti-neoliberal rhetoric of the government threatens to scare off investors (Postero, 2006). On the left and right of the political spectrum, those who support statist solutions or privatization models complain that the government does not have clearly formulated policies and is hopelessly entangled in the pragmatic balancing act of the 'third way' politics of other European and Latin American leaders (Petras & Veltamayer, 2005; Orellana Aillón, 2006).

These doubts and criticisms aside, it is clear that even if Evo Morales wanted to take a line that would be closer to his rhetoric, he is not in a position to do so. Given the social tensions that exist in Bolivia, any attempt to balance interests and

maintain peaceful control of the country must necessarily be inspired by pragmatism. Indeed, taking into account the constraints on governance imposed by the governmentality of the international neoliberal system, it may well be that at this point alternatives are 'unthinkable'. The complex logistics of today's international trade and investment require a difficult balance of state and private controls and inputs. It is an ambiguous position to be in, but it is also the boundary where current permissions can be crossed and freedoms gained. In fact, it may well be that pragmatism and ambiguity do not restrict all possibilities. For some eastern investors and northern social democratic countries, the touch of pragmatism in an otherwise radical rhetoric seems to have opened new grounds for engagement and assistance.³⁷

Conclusions

While they do not amount to a complete break with neoliberal multiculturalism, it is possible to conclude that in Bolivia and Guatemala there are clear moves to question and challenge the impasse of the *indio permitido* project. These efforts are conditioned by long national histories of political formation and, to a large extent, their success depends on the ability of indigenous groups to devise and deploy innovative strategies and structures to circumvent limits and controls by taking advantage of the ambiguities and political spaces generated by the neoliberal reforms. In Bolivia, the impact of these strategies and structures has been much more far-reaching than in Guatemala. I have argued that this difference is explained by the possibilities shaped by the modern historical trajectory of Bolivia and the inclusiveness of the political platform constructed by the *coordinadoras* and by the MAS party. I have also shown that the Bolivian process has been marked by the decisive influence of changing notions of indigenous identity.

In both Bolivia and Guatemala the indigenous movements have been responsible for a reworking, or reconfiguration, of the state. However, this paper has also demonstrated the limits of this reconfiguration. In Guatemala, the indigenous movement and wider civil society remain fragmented in their political intentions because of the persistence of essentialist notions of Mayan identity.³⁸ In Bolivia, more gains have been made. Evo Morales and the MAS party have broken the hold on power of the traditional elites, initiating a process that is reformulating the social pact between the state and its citizens. This process, however, is unfolding within the limits of political pragmatism and the persisting governmentality of our time, which implies the continued hegemony of liberal-democratic political structures.³⁹ This might be a disappointing conclusion for some academics interested in the empirical fulfilment of radical theories. Yet, despite its ambiguities and limitations, the government of Evo Morales marks an irreversible shift ending hundreds of years of indigenous exclusion, and that continues to provide inspiration for those who are struggling to achieve the same goal in other parts of Latin America.⁴⁰

Notes

- [1] This paper is based on research carried out by the author as part of the Poverty Politics Project at the Institute of Anthropology, University of Bergen and financed by the Norwegian Research Council (NFR).
- [2] Between 1999 and 2002 poverty rose in Bolivia from 62 to 65 per cent, and in some rural areas in the Highlands of the country is estimated to be as high as 82 per cent (Hernani, 2002; Landa, 2002). The UNDP (2005) reports that in Guatemala 56 per cent of the population live below the national poverty line and 37 per cent live in conditions of extreme poverty.
- [3] In Bolivia, 63 per cent according to the National Census (Instituto Nacional de Estadísticas de Bolivia, 2006, p. 157). In Guatemala, 52 per cent of the population are indigenous according to the National Census (Instituto Nacional de Estadísticas de Guatemala, 2002).
- [4] In Guatemala and Bolivia, poverty is far more prevalent among indigenous groups than among the rest of the population (see country studies in Hall & Patrinos, 2006).
- [5] The word Indian, or *indio*, has carried with it a highly pejorative connotation throughout Bolivian and Guatemalan colonial and republican histories. However, as a result of indigenous campaigning over the past decade, a more positive meaning has been given to the term in Bolivia. As a result, whilst pejorative meanings continue, Indian identity is often claimed in Bolivia as a source of pride and origin – in much the same way that *black* has become a symbol of pride amongst British citizens of West-Indian origin.
- [6] See Psacharopolous and Patrinos (1994), and Eversole, McNeish, and Cimadamore (2005).
- [7] In Latin America we can think here of the marches by indigenous movements in different countries to oppose the celebration of the quincentenary of the discovery of the Americas.
- [8] In 1993, President Sánchez de Lozada became the first president in the country (and the continent) to be elected on an openly neoliberal platform. The series of reforms introduced by the Sánchez government became known as *Bolivia La Nueva* (The New Bolivia). As part of this agenda, the government rethought the now globally accepted neoliberal proposals of streamlining the state and economic liberalization through ‘growth with equity’ to produce new policies for decentralization and privatization.
- [9] When it was launched *Bolivia la Nueva* had three key elements: an interventionist approach towards privatization whereby the state retains significant control in a number of privatized companies; together with a type of decentralization (the first of its kind in Latin America) called Popular Participation; and bilingual education reform intended to improve access to opportunities and decision-making for the large numbers of Bolivia’s poor and marginalized.
- [10] Poverty Reduction Strategy Papers are prepared by governments in consultation with grassroots organizations, the World Bank and the International Monetary Fund. The Poverty Reduction Strategy Paper process encourages the use of qualitative consultative methods to gauge the interests and opinions of social actors or ‘civil society’. In Bolivia these regulations created the basis of a ‘National Dialogue’, whereby the population was to be consulted about national economic policy, the allocation of HIPC resources and public interests in development (Unidad de Análisis de Políticas Sociales y Económicas, 2000).
- [11] In 1991 the government had signed the International Labour Organisation’s 169 Convention on Indigenous Rights, and in 1993 the National Constitution was changed to recognize the pluri-cultural nature of the country (Van Cott, 2000, p. 53).
- [12] Movement for Socialism, 20.9 per cent; Pachakuti Indigenous Movement, 6.1 per cent; New Republican Force, nine per cent.
- [13] Consejo Latinoamericano de Ciencias Sociales, 2002.
- [14] Faced with the escalating civic unrest, Sánchez de Lozada complained in an interview with the BBC that the protesters ‘want to govern from the streets, not from the parliament and within our institutions’.

- [15] In theory, the Assembly would create a new democratic space for all sections of the population to express their demands and to take part in constitutional reform.
- [16] In 2005 5,338 people were the victims of violent crime in Guatemala, the second highest level of violent crime in Central America (after El Salvador). According to the Guatemalan Agency in Favour of Childhood and Adolescence (NANA), an organization working for the rights of children and adolescents, 525 were below the age of 18 years (see 'Violence grips young population', *Latinamericapress*, 23 February 2006).
- [17] Guatemala had suffered the longest internal armed conflict in Central America. Ending in 1996, over 200,000 people were brutally murdered during the 36-year war that began with a US-backed military coup of a democratically elected government of President Jacobo Arbenz. At the height of the counter-insurgency in the late 1970s and early 1980s, approximately one million people were internally displaced and hundreds of thousands fled the country from a population numbering a little over eight million at the time. The Peace Accords were signed by all parties in 1996.
- [18] Aimed at discussing different issues (e.g. education reform, land reform, municipal reform, labour reform, etc.).
- [19] Including the Department of Sololá where I conducted the bulk of my research in Guatemala in 2005.
- [20] The Central American variant of the larger and parallel US-led drive for the creation of a Free Trade Agreement of the Americas.
- [21] This registry's work will start with a national land survey that, when completed, will formally delineate the ownership of all properties. Without their participation, such a plan is seen by indigenous and peasant organizations as dangerous because it will confirm the current property system and undermine the ability of rural workers to make future land claims.
- [22] The protests ended with the government's dispatch of approximately 2,000 troops to the area, the death of one protestor and the wounding of tens of other protestors. See 'Bloquen ruta para evitar paso de cilindro', *La Prensa Libre*, 4 December 2004.
- [23] According to local witnesses, the Unidad Revolucionaria Nacional Guatemalteca, the political party representing interests of the earlier left-wing guerrilla, reputedly sanctioned local people if they did not take part in the protests.
- [24] One of the biggest effects of the mine will be the increased competition for water. According to the Guatemala environmental organization Madre Selva, the Marlin Project, by its own estimates, will use 250,000 litres of water per hour, a massive consumption rate that threatens to deprive local subsistence farmers of water they need to survive. Also alarming is the vast amount of cyanide used by the mining process to extract gold and silver and the inevitability that some of this poison leaks in to the local environment and local ground water, posing long-term health risks to local residents (White, 2005).
- [25] On 30 March 2006 all traffic in Guatemala City and traffic crossing into Mexico from the main routes across the Northern border was once again stopped for hours by demonstrations co-organized by the Coordinadora of Peasant and Indigenous Organizations and the National Peasant Organisation Coordination.
- [26] *Prensa Libre*, 4 February 2001, p. 2.
- [27] Gaviria and Pages (1999), and Londoño and Guerrero (1999).
- [28] See 'Violence grips young population', *Latinamericapress*, 23 February 2006.
- [29] Cardona, cited in *Siglo Veintiuno*, 3 March 2001, p. 4.
- [30] This is certainly similar to the recent argument made by Rodgers (2007) in interpreting the rise of urban violence in Guatemala.
- [31] As Hale describes in his own work (2006b, p. 270), Rivera Cusicanqui applied this term to talk about how governments are using cultural rights to divide and domesticate indigenous movements. The use of the word *indio* is meant to suggest the aggregate effect of these measures; that is, the perpetuation of the subordination the term traditionally connotes.

- [32] That is, the National Dialogues in Bolivia and the Guatemalan post-Peace Accord Commissions.
- [33] In this movement the ‘spirit of the tribe never disappears, even in those societies that have advanced further along the path of civilization. In Bolivia, they complain that the companies want to steal their natural gas. They see themselves as victims of injustice, based on the argument that they have been and are the victims of imperialism, white people, the colonizers, and companies that want to steal their natural resources. Such demands are incompatible with civilization and development and in the short- or long-term drag us into barbarism. If we want to achieve development, we must choose civilization and morality, and we must resolutely fight these outbreaks of collectivism’ (Mario Vargas Llosa, *El Universo*, 11 November 2003).
- [34] In 1976 34 per cent of the Bolivian population was monolingual in Spanish, rising to 42 per cent in 1992 and 47 per cent in 2001 (60 per cent in urban areas).
- [35] As well as being previously tested in Bolivia, Constituent Assemblies have also previously been created in South Africa, Colombia, Ecuador and Venezuela.
- [36] The Bolivian government has recently signed a trade agreement with Venezuela and Cuba, the Bolivarian Alternative for the Americas (ALBA). Available at <http://www.alternativabolivariana.org/index.php>
- [37] Norway has recently initiated official talks on technical and development assistance to the Bolivian oil industry with the Morales government.
- [38] There are, however, now signs that this fragmentation may have a chance of disappearing. In the run up to elections in Guatemala in September, the Winaq (humanity) indigenous movement led by Rigoberta Menchú has entered into an agreement with the left-wing Encuentro por Guatemala political party in order to form a common political platform.
- [39] Indeed, as the government of Evo Morales takes steps to favor indigenous interests, it runs the risk of losing the broad political platform that was so crucial for its electoral success and possibly for its future institutional stability.
- [40] Evo Morales has recently offered electoral advice to Rigoberta Menchú’s Winaq movement.

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