

## Progress and setbacks in the defence of Pachamama



The Government has made an explicit commitment to a coherent policy to combat climate change, but the current development model in the country is built around the extractive sector. The economy and the strategies to overcome poverty are based on oil and gas production and mining. The Government is opting for the carbon credits system and the REDD initiative, but this has raised serious doubts about the development path the Morales administration is taking.

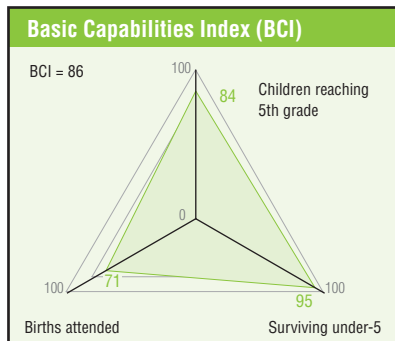
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Bolivia enjoys an extraordinary wealth and diversity not only of plant and animal species but also, with its 36 indigenous peoples, of human culture. It ranks sixth in the world in extent of tropical forest and fifteenth in wooded cover.<sup>1</sup> Around 80% of its forests are in a region called the flatlands or lowlands, which comprises three sub-regions, Amazónica, Platense and Gran Chaco, and includes the areas reserved for indigenous peoples.

In its public policies, the administration of President Evo Morales recognizes that the forests are strategically important ecosystems, and since the end of the last decade, under his guidance, Bolivia has become one of the leading countries in the world in urgently insisting upon holistic, integrated development in harmony with nature. This means, in effect, that Pachamama, the Andean indigenous peoples' mother goddess who is a combination of the earth and nature, is regarded as having rights.

### An uncertain policy

However, in spite of the Government's explicit commitment to a climate change policy in line with its environmentalist stance, the development model that it is actually implementing is an extractive-lead one, and this casts doubt as to how far it is really committed to the principles of sustainable development. In other words, the Government's policy is very uncertain as there is a marked discrepancy between its public pronouncements about defending Mother Nature, along with the pursuit of the "*buen vivir*" (living well) philosophy, and the promotion of extractive-led growth. Oil production and mining have become the mainstays of the country's economy, the basis of public finances<sup>2</sup> and the crucial element in

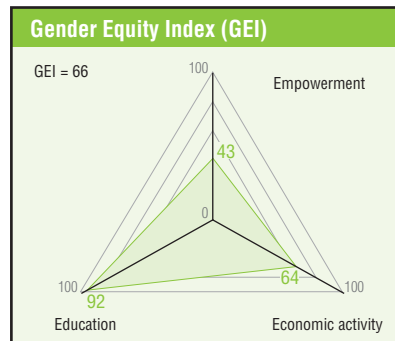


Bolivia's attempt to overcome the severe poverty that 60% of the population is living in.<sup>3</sup>

Official data processed by the Centre of Studies for Labour and Agrarian Development (CEDLA) show that in the last five years the economy has become more dependent on the export of prime materials. Foreign sales of primary products from the oil, gas and mining sectors now account for no less than 69% of total export revenues, in contrast to the previous five-year period when there was a more balanced distribution and these sectors only had a 47% share.<sup>4</sup>

The CEDLA analysis also shows that the growth in national product in the last ten years has gone hand in hand with the resurgence of the hydrocarbon and mineral extraction sectors. GDP growth in the period 2001-2005 was largely due to increased production of hydrocarbons, especially natural gas. Then, in the 2006 to 2009 period, mining came to the fore; it increased by an annual average of just over 20% and became the biggest factor in national production.<sup>5</sup>

In addition to these violations of Mother Nature's "acquired rights", the Government is also putting the country's environmental and ecological balance in danger by plans to build hydro-electric mega-dams in the Bolivian Amazon to export electric power to Brazil, by subscribing to the inter-oceanic highway project that is part of the Initiative to In-



tegrate Regional Infrastructure in South America (IIRSA) and by pressure to cash in on the forests by exploiting them for timber.

The expansion of extractive activities, with their inevitable environmental damage to the land and negative socio-economic impact on indigenous and peasant communities, shows how easy it is for Government pronouncements about ecology and protecting indigenous people to become empty rhetoric or, on the contrary, to make its own economic development policies completely unworkable.

### The carbon market

One of the most difficult problems the Morales administration is facing is that it has to develop an institutional structure in the framework of the new State Policy Constitution that respects the rights of autonomous indigenous communities in the plurinational State. This will enable Bolivia to qualify for economic incentive mechanisms that have been set up for countries that preserve their forests and make them sustainable. This is particularly important now that there is general recognition of the key role forests play in reducing carbon dioxide levels in the atmosphere, an effect called "carbon sequestration" (also "carbon capture and storage" or "carbon capture and sequestration").<sup>6</sup>

1 FAO, *Global Forest Resources Assessment. Progress towards Sustainable Forest Management*, (Italy: Forestry Paper No. 147, 2005).

2 Official data show that more than a third of the income of the department (province) governments comes from hydrocarbon profits (35.6% in 2005, 43.3% in 2006 and 43.2% in 2007), according to CEDLA, *Las Prefecturas no usan la renta de los hidrocarburos para el desarrollo*, (La Paz: 2010).

3 Fundación Tierra, "Cifras macroeconómicas no resuelven pobreza en Bolivia", *El Diario*, (6 June 2011), <www.ftierra.org/ft/index.php?option=com\_content&view=article&id=6267:rair&catid=98:noticias&Itemid=175>.

4 CEDLA, *Análisis del gasolinazo y de la política energética boliviana*, (La Paz: 2011, unpublished).

5 Ibid.

6 Kanninen, Markku, "Secuestro de carbono en los bosques, su papel en el ciclo global", FAO documents: <www.fao.org/DOCREP/006/Y4435S/Y4435S09.htm>.

The Kyoto Protocol includes an anti-pollution mechanism known as “carbon credits”, which is a measure to reduce or counteract the greenhouse gas emissions that are a direct cause of global warming. One credit is given for each ton of CO<sub>2</sub> that is no longer emitted or that is absorbed by plants due to reforestation or reforestation development, and because a monetary value is assigned to these measures the credits can be traded.<sup>7</sup> With this policy, the key to the design and scope of the ecological initiatives lies in defining how the economic incentives to capture and store carbon will be distributed. This system could benefit the indigenous peoples and their environment, or alternatively it might tend to feed into the capitalist market. The crucial questions here are: who pays the subsidies, who holds the rights to these “carbon credits”, and who will be the direct beneficiaries.

According to the Government’s stated vision, these payments should go directly to the indigenous people and peasant communities in the framework of a plurinational State. Of course, this incentive system does not mean the industrialized countries escape the obligation to reduce their greenhouse gas emissions, although unfortunately many companies today opt to deal in carbon credits instead of making an effective reduction in CO<sub>2</sub> emissions.

To make this line of action feasible, Bolivia will have to adopt a new national policy to tackle the causes of deforestation and forest degradation, and it will also need a specific strategy for these incentive mechanisms known as REDD (reducing carbon emissions from deforestation and forest degradation).

In constructing a specific public policy for REDD, Bolivia will have to overcome institutional, legal and political barriers and other obstacles including the need to develop the capabilities of national Government, local government and civil society organizations.

A vital component of the Government scheme will be to strengthen the National Climate Change

Programme in terms of capabilities and financing. A stronger programme will make it feasible to establish a system to monitor forests and the use of soils. In addition, bringing the reference levels for greenhouse gases up to date will make it possible to formulate an action plan to reduce emissions caused by deforestation and forest degradation.

An analysis of the Government vision shows this strategy entails other problems and challenges. The Government will have to:

- Involve indigenous communities and peoples and incorporate them into these initiatives.
- Open up this area for other actors to participate.
- Take advantage of the knowledge and experience gained from past REDD initiatives in the country.
- Promote land organization and the official registration of rural land.
- Design and implement mechanisms so the economic benefits of the scheme can be managed and administered as public investment resources and used to improve conditions of life in the indigenous communities in areas where these initiatives are in operation.

All in all, this strategy would show how near or how far the Bolivian Government is from putting into practice its stated aims of working towards establishing a harmonious relationship with nature and the real possibilities of “living well”.<sup>8</sup>

### Prospects and questions

A detailed examination of the REDD initiatives shows that in some ways they would support an ideological perspective and a sustainable development model based on indigenous practices and knowledge, and in some ways they would not. The positive points are as follows:

- The REDD initiatives would foster the sustainable management of forests.

- They would be an opportunity for indigenous communities to consolidate their rights to their land.

Two of the negative points are as follows:

- The REDD initiatives would have no effect on the direct causes of forest degradation or deforestation.
- They would cause conflicts about who would be entitled to the carbon credits.

The REDD initiatives also have a spatial dimension insofar as they involve public policies that would govern access to and the use of forest resources. In fact, these initiatives are a way of analyzing how the Government intends to handle the whole matter of the rights indigenous peoples and communities have to their lands and their natural resources. Therefore it is important to ask how far the REDD initiatives will contribute to the development of indigenous communities in three crucial aspects: the recovery of control over their ancestral lands through autonomy and self-government, the redistribution of resources and the means of production in the indigenous lands, and the administration and exploitation of natural resources.

Some other arguments against implementing the REDD have been put forward. For example, it has been said that this initiative is a mechanism that would stimulate a move towards cutting down native forests and replacing them with monocultivation plantations and even bringing in transgenic trees. Thus the REDD would not only be promoting the privatization of the atmosphere<sup>9</sup> but would also make the forests of the South vulnerable to new kinds of exploitation by polluters or speculators in the carbon or environment services markets.<sup>10</sup>

This argument is based on the possibility that the developing countries might be compelled to adopt this mechanism and so the developed countries would not have to make a serious reduction in their own greenhouse gas emissions. ■

7 Sanz, David, “Créditos de carbono”, *Ecología verde*, (10 July 2010), <www.ecologiaverde.com/creditos-de-carbono>.

8 “Living well” is a philosophy related to sustainable living and sustainable development based on indigenous traditions and beliefs. See <www.decrecimiento.info/2009/02/el-buen-vivir.html>

9 For the concept of “Privatizing the atmosphere” see: Barcena, Iñaki, Miñambres, Ignacio, “Copenhague-2009, ¿fracaso de quién?”, CONGD, <www.cvongd.org/showNews/52/244>.

10 ALAI, *REDD: Premio a la deforestación y usurpación masiva de territorios*, (2010), <alainet.org/active/41263>.