

The dilemma of neo-extractivism in Bolivia: tensions between *Buen vivir* and the primary-export model

*O dilema do Neoextrativismo na Bolívia: tensões entre o
Buen vivir e o modelo primário-exportador*

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ABSTRACT

The article examines the relationships between *suma qamaña* (*Buen vivir*) and the neo-extractivist policies in Bolivia, which contributed to the election and re-election of Evo Morales. It identifies similarities with classical extractivism and highlights limitations in diversifying the industry and overcoming the primary-export model. Through an integrative review based on data from the Bolivian government, the state-owned YPFB, and interdisciplinary literature, it explores the social and territorial impacts of neo-extractivism in a country that constitutionally enshrined the defence of Pachamama (Mother Earth). Nationalisation became one of Evo Morales's flagship public policies, improving social and economic indicators while simultaneously deepening dependency on international markets and exacerbating socio-environmental impacts. This approach has also intensified ethnic and territorial conflicts.

Keywords: Primary-export dependency. Evo Morales. Neo-extractivism. Natural resources. *Suma qamaña* (*Buen vivir*).

RESUMO

O artigo analisa as relações entre o *suma qamaña* (*Buen vivir*) e a política neoextrativista na Bolívia, que contribuiu com a eleição e reeleição de Evo Morales. Identifica semelhanças com o extrativismo clássico e limitações em diversificar a indústria e superar o modelo primário-exportador. A partir de uma revisão integrativa baseada em dados do governo boliviano, da estatal YPFB e literatura interdisciplinar, investiga os impactos sociais e territoriais do Neoextrativismo em um país que garantiu constitucionalmente a defesa da Pachamama (Mãe-Terra). A nacionalização se tornou uma das principais políticas públicas de Evo Morales, elevando indicadores sociais e econômicos, ao mesmo

tempo que aprofundou a subordinação ao mercado internacional e os impactos socioambientais, promovendo intensos conflitos étnicos e territoriais.

Palavras-chave: Dependência primário-exportadora. Evo Morales. Neoextrativismo. Recursos naturais. *Suma qamaña/Buen vivir*.

1 INTRODUCTION

This article examines the nationalisation of oil and natural gas implemented in 2006 by Evo Morales, highlighting the limits and possibilities of neo-extractivism in light of conflicts surrounding *suma qamaña* (*Buen vivir*) during the period from 2006 to 2019. By exploring these elements, the study seeks to understand the consequences of an economic model that simultaneously fosters development and generates significant tensions with the social and environmental principles enshrined in Bolivia's constitution. The text is organised into three sections: the first outlines the historical and political context of the nationalisation policy; the second discusses the theoretical and political-institutional contours of neo-extractivism and the conflicts surrounding *Buen vivir* in Bolivia; and the final section offers concluding reflections on the contradictions and limitations of this model.

The research employs an integrative review approach, synthesising diverse studies and sources, including scientific works, empirical data, and public policies, to provide a comprehensive perspective on the topic. The analysis draws on several data sources: (i) databases from the Bolivian government for official information on public policies and economic, social, and environmental indicators; (ii) reports from Bolivia's state oil company (YPFB) for specific details on hydrocarbon exploration; and (iii) an interdisciplinary literature review to address concepts and debates on neo-extractivism, its impacts, and its intersections with development models and socio-political and environmental perspectives.

The third wave of hydrocarbon nationalisation in Bolivia faced challenges in advancing the productive forces of the region. Limited diversification of national industries reflected a persistent tension between stagnation and progress, where the primary-export economic model imposes barriers to the development of local economies. Nonetheless, Evo Morales positioned the reclamation of energy resources as a cornerstone for improving social indicators and countering U.S. imperialist policies in Bolivia. This study acknowledges the social policy achievements under Morales's model while critically analyzing its limitations and contradictions, including ethnic and territorial disputes, the constitutionalisation of *suma qamaña* (*Buen vivir*), and the perpetuation of dependency on the primary-export cycle.

2 THE SCENARIO OF EVO MORALES' NATIONALISATION

The hydrocarbon nationalisation policy implemented in 2006 by Evo Morales (Bolívia, 2006a) marked a new phase for Bolivia's primary-export sector, aligning with broader trends in Latin America. Neo-extractivism emerged as the defining policy of this renewed exploitation model, with most of the surplus directed toward social programs.

This new framework was a significant factor in Evo Morales's re-election in 2009, while simultaneously intensifying territorial conflicts, protests, and public demonstrations against the deepening exploitation of soil resources. Paradoxically, Morales garnered widespread recognition and support from the majority of the electorate, who benefited from social policies such as the Juancito Pinto Bonus, the Dignity Pension, and the Juana Azurduy Bonus. However, he also faced significant opposition, particularly from ethnic groups opposed to these policies.

In Bolivia, the neo-extractivist approach, which gained prominence during Morales's first term in 2006, arose in response to worsening labour exploitation conditions and the yoke of monopolistic imperialism (Bambirra, 2013). These policies were a reaction to neoliberal strategies that privatised Bolivian state-owned enterprises, introduced transnational corporations into strategic economic sectors—especially the oil sector—and allowed significant concessions to private capital under the framework of the Capitalisation Law (1544/94) and the Hydrocarbons Law (1689/96)¹.

The limitation of compensatory policies is a hallmark of neo-extractivism and the progressive wave that swept Latin America beginning in the 2000s (Gudynas, 2009). Evo Morales's anti-systemic rhetoric and political resources primarily extended to anti-imperialism. Despite the constraints of public nationalisation policies, YPFB was re-nationalised, and the state regained significant control over the exploitation and exportation of natural resources. Additionally, surplus revenues were channelled into social programs, and Morales confronted U.S. policies to some extent (Bolivia, 2006b; Ceppi, 2016; Santos, 2018).

Nevertheless, the absence of anti-capitalist policies prevented more profound structural changes to Bolivia's economy, leaving the country unable to escape its state of subordination in any concrete manner. Regarding energy policies—the country's main source of revenue—the potential of nationalisation efforts to create long-term solutions remains a key consideration.

To implement nationalisation, the approach adopted was resource exploitation coupled with social compensation. The strategy pursued by the MAS government aimed to make hydrocarbon nationalisation a public policy aligned with capitalist perspectives. With the partial recovery of state functions and an increase in profit margins, the government was able to expand investments in social policies and address the worsening hunger and poverty left by the era of "pacted democracy" (Ceppi, 2016; Santos, 2018).

The analytical framework for neo-extractivism used here is based on Eduardo Gudynas (2009), who posits that the traditional privatised exploitation model is replaced by an extractivism deemed necessary for generating surpluses and funding social policies. In Bolivia's case, these include income redistribution programs, social assistance and welfare policies, and investments in education and health. The critical distinction lies in how the generated resources are applied, as the practice sustains old patterns of relentless and unsustainable exploitation from both human and environmental perspectives.

Gudynas articulates ten theses highlighting the significant similarities between progressive policies in South America's primary-export sector and earlier extractivist projects, identifying their main features and challenges while emphasizing their inherently limiting nature in economic, geographical, and social terms. According to Gudynas (2009), the connection to traditional extractivism lies in the large-scale extraction of resources to appropriate nature and sustain dependency on raw material processing countries. This occurs without diversifying industries or addressing social and environmental impacts, thereby deepening pre-existing extractivist logic.

Traditionally, the left in Latin America has criticised the development model and extractivist practices, which foster weak, dependent economies, facilitate foreign capital influx, and limit industrial activity to basic industries (Fuscaldo; Urquidi, 2005; Gudynas, 2009). Indeed, there has been an expansion of exports in Brazil, Venezuela, and Bolivia, an increase in exploration areas, such as new mining sectors in Ecuador and iron mining in Bolivia, the recovery of refineries, the reassertion of state leadership, and price adjustments in fuel policies. However, even in governments that nationalise resources, classical patterns oriented toward competitiveness and profitability continue to prevail (Gudynas, 2009).

The colonial characteristics of extractivism—where resources are appropriated from the land for the benefit of the metropole—result in the exploitation of labour in dependent capitalist nations, coupled with the abundant importation of raw materials. This dynamic allows the metropole to achieve

industrial development, ensuring superior living and working conditions while maintaining Latin American dependence through the export of consumer and capital goods.

The new compensatory primary-export economic model has failed to establish the foundations necessary to overcome this relationship of domination. Although surpluses are now allocated to social reforms, the relentless exploitation of nature persists. General import indicators in Bolivia have continued to grow in parallel with the expansion of exports, showing similar annual figures. However, since 2008, monthly export variations have been more pronounced. These trends may be tied to a lack of incentives for diversifying the national industry, particularly when considering that the importation of consumer and capital goods has yet to show any substantial and consistent decline. Refer to Figures 1, 2, and 3 for further analysis.

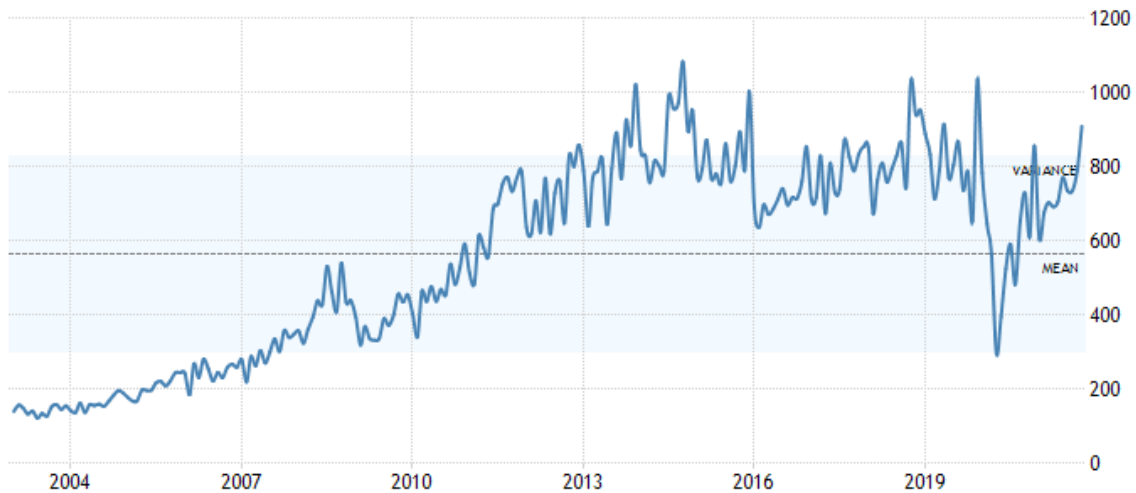


Figure 1 – Imports – Bolivia (USD Millions)

Source: Trading Economics, Banco Central de Bolivia.
Available at: <https://pt.tradingeconomics.com/bolivia/imports>.

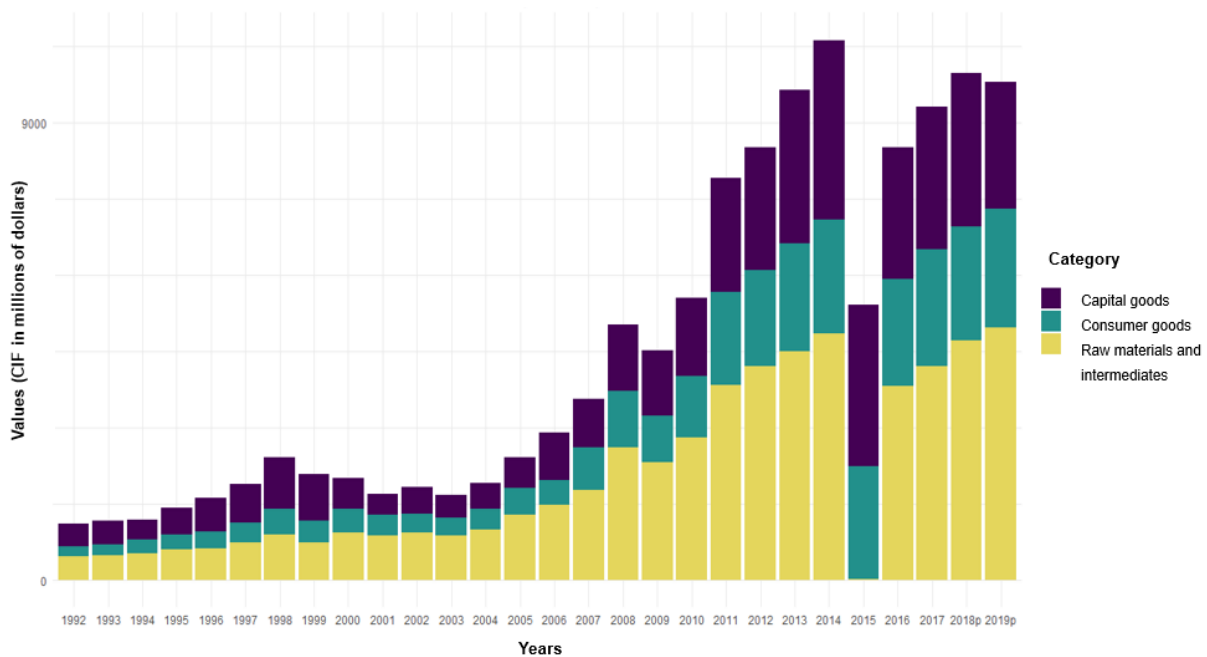


Figure 2 – Imports of Goods by Classification – Bolivia

Source: National Institute of Statistics, own elaboration.



Figure 3 – Imports – Bolivia (USD Millions)

Source: Trading Economics, Banco Central de Bolivia.
Available at: <https://pt.tradingeconomics.com/bolivia/imports>

The graphs demonstrate a continuous increase in Bolivia's exports starting from 2004, accompanied by significant growth in imports. This highlights the country's dependence on the international market for consumer and capital goods and underscores the limitations of the model, which prioritises the exploitation of natural resources without fostering industrial diversification. This scenario reflects the perpetuation of economic subordination, as the revenues generated by neo-extractivism have not been directed toward breaking the cycle of dependency or projecting a new productive structure in the country.

The novelty of public policy under progressive governments is summarised by the rise in export figures associated with income redistribution policies and incentives in health, education, and welfare. Extractivism gains a new identity with the suffix "neo," but it remains linked to the reproduction of the globalised logic that requires the subordination of marginalised countries to foreign financing. Environmental degradation and territorial conflicts remain pronounced, with little attention paid to addressing environmental impacts (Dávalos; Rodrigues Filho; Litre, 2021). Bolivia's government gained legitimacy on the left with the presence of a welfare state and the nationalisation of hydrocarbons. The association of neo-extractivism with social policies brought them closer politically and helped ease social demands.

The new role assumed by the state regarding national resources is a key element in the compensatory nature of neo-extractivism, which to some extent aligns with the perspective of mitigating the negative externalities of the market. This is the main distinguishing factor of the new extractivism when compared to the predatory neoliberal policies, as it increases the possibilities for state intervention and decision-making in the hydrocarbon sector, as well as the capture and allocation of revenues. The strengthening of the state allowed the MAS government to align more closely with the left and popular sectors (Fuscaldo; Urquidi, 2015). Paradoxically, the very conditions that created legitimacy also risk undermining it.

As observed in Table 1, the 2006 oil nationalisation in Bolivia led to exponential growth in the state's oil revenues, which allowed for new initiatives in social programs and contributed to improvements in some indicators (although they remain concerning). In 2006, the amount of petroleum revenue for the Bolivian state was around \$670 million. By 2008, two years after nationalisation, it had reached \$2.099 billion. By 2012, this figure had doubled (YPFB, 2013). Poverty levels in the country dropped from 60.6% to 45%, and inequality levels, as measured by the Gini coefficient, decreased from 0.60 to

0.46 between 2005 and 2011 (Udape, 1990). There was a significant increase in state investments in education, health, social security, and welfare programs: between 2005 and 2015, the minimum wage increased by 380%, urban unemployment fell from 8.1% to 5.5%, and inflation stabilised at 5% per year; investments in social programs rose from 500 million in 2005 to 2.2 billion in 2010 (Fuser, 2019).

One example of a social program is the *Bônus Juancito Pinto*, which provided \$29 to Bolivian children enrolled in school up to the sixth grade. Established in 2006, the program reached 95% coverage of children by 2009 and was a direct result of taxes levied on natural gas from the San Alberto and San Antonio fields. *The Renda Dignidade* and the *Bônus Juana Azurduy* expanded the budget for the social security sector and provided benefits to mothers without health insurance (Fuser, 2019). In addition to these, Ceppi (2015) also mentions the *Bono Bachiller Destacado*, the *Desnutrición Cero Program*, *Mi Primer Empleo Digno*, and the Social Housing Plans as examples of the rise in social indicators.

Table 1 – Social Policies/State Expenditures (BOB Millions)

Policy	Objective	State Expenditure
BJP	Encourage enrollment and schooling	Start year 2006: 227.3 million BOB Year 2012*: 318.9 million BOB
BJA	Reduce maternal and infancy mortality	Start year 2009: 55 million BOB Year 2012: 177.1 million BOB
RD	Improve social security conditions	Start year 2008: 1407.6 million BOB Year 2012: 1979.6 million BOB

Source: CEPPI (2016).

Simultaneously, territorial conflicts, demonstrations, and protests against the extractive policy intensified, as did social pressure for new development models and a new relationship between humans and nature (Fuscaldo; Urquidi, 2015). From an environmental perspective, conflicts emerged within certain currents of *suma qamaña*. On one hand, the improvement in social indicators and the implementation of social public policies pacified part of society and secured the re-election of the MAS government under Evo Morales' leadership in 2009, and again in 2013. On the other hand, the perpetuation of the cycle of subordination radicalised criticism from some indigenous groups and fragmented its electoral base.

2.1 NEO-EXTRACTIVISM AND CONFLICTS OVER THE BUEN VIVIR

The scenario established in the post-Cold War period required an adaptation of capitalist structures, reflected in the neoliberal policies consolidated by the Washington Consensus. Among them was the exponential growth of privatisation policies, deregulations, and adjustments in labour and welfare fields, resulting from a redefinition of the state's role, which was now significantly reduced in the economy (Coutinho, 2006).

Between 1985 and 2005, markets, banks, and state-owned enterprises were liberalised, and policies favouring multinational corporations advanced at the expense of national sovereignty over natural resources (Nunes, 2018). This strategy is exemplified, for instance, in the interpretation of development as an improvement in living conditions through consumption, or in the concept of green capitalism, which turns ecological demands into a new market, sustained by the same logic of human and animal exploitation, waste, and environmental devastation (Bringel; Echart-Muñoz, 2020).

Globalisation reinforced the dependency ties of Latin America not only in economic and political fields but also in symbolic, social, institutional, cultural, and linguistic aspects. The construction of an ideal of

development, which is based on capitalist parameters of production, distribution, and consumption, permeates not just the political and economic spheres but also validates a single model of knowledge, a direct consequence of Modern philosophy and a central element in maintaining the global capitalist power structure (Quijano, 2000).

In Bolivia under Evo's leadership, this manifested through the Westernisation of indigenous knowledge, privileging a Western model of production and violating democratic and environmental principles (Quijano, 2000). Despite the strong presence of the *suma qamaña/Buen vivir* ideal, originating from the Andean highland peoples, and even though some of its principles were partially assimilated into the Bolivian Constitution.

The principles of this ideal in the Constitution express a vision that sees the economy and development as a unified entity, sparking ethnic, institutional, and economic debates, while plurinationality creates a new institutional and political organisation format (Schavelzon, 2015). In Farah and Vasapollo's (2011) definition, the focus is on collectivity and good living, equal access, and common use of material and immaterial goods for human needs, in harmony with the products and beings of nature, with an emphasis on reciprocity and complementarity.

The contraposition of *suma qamaña* to the notion of development also takes place in the realm of the construction and validation of knowledge, as this debate was built upon a Eurocentric knowledge standard central to the maintenance of the global capitalist power structure (Quijano, 2000). According to Ulloa (2017), *Buen vivir* offers an alternative to development by establishing critiques and new individual and collective standards for rebuilding the relationship with Nature and reclaiming indigenous philosophical principles.

It is important to highlight that the concept of *suma qamaña* is plural, under construction, and in dispute. Its four main currents are: indigenist, post-structuralist, socialist, and neodevelopmentalist (Da Silva, 2019), differing in origin, values, and strategies. Some distinctions between these currents are reflected in practical conflicts. The Constitution guarantees the application of the neodevelopmentalist current, a reformist approach adopted by the cocaleros (the main electoral base of Evo Morales) and by the MAS, while the indigenist current is based on more radical ideals (Vanhulst, 2015; Vecoutere; Le Quang, 2013).

The idea of *buen vivir* highlights the renewal of leftist thought and the construction of new paradigms. It arises from a set of elements that advocate for the participation of ethnic and social minorities in political decisions, harmony between humans and Pachamama (Mother Earth), and a communal life based on four principles that dictate the relations of production, distribution, and material circulation (Fuscaldo; Urquidi, 2015): i) Complementarity, the search for balance between community and individuality, in a complementary relationship with others, without losing sight of individual autonomy; ii) Reciprocity, which opposes accumulation practices and seeks reciprocal responsibility among individuals for fair redistribution; iii) Relationality, marked by the totality of beings in constant interaction; and iv) Correspondence, the harmony established in the relationship between all beings.

The institutionalisation of this ideal by Evo Morales' government is contained in the *Plan Nacional de Desarrollo: Bolivia digna, soberana, productiva y democrática para Vivir Bien* (Bolivia, 2006b). The document incorporates some of its principles and proposals for communal life, such as the eradication of poverty and inequality, aiming for a population with dignified living and working conditions. In the productive sphere, agencies would promote diversified, multisectoral, and integrated changes, generating new job opportunities while keeping the goal of overcoming the primary-exporter model firmly on the horizon. The self-determination of peoples, protected and guaranteed by a sovereign state, would act swiftly in defending the local and international conscious and sustainable use of the earth's resources (Villafuerte et al., 2016).

Evo Morales' speeches during his 2005 campaign (Fuser, 2016) emphasised a government focused on strengthening neo-extractivist policies to eventually break free from them, expressing concerns about dependence on foreign sectors. However, the continuation of extractivism under new forms became the key element of Bolivia's economy under Evo Morales but did not bring with it long-term policies capable of overcoming the model.

In addition to the rising imports, this period marked what Maristella Svampa (2012) referred to as the "*commodities consensus*," a new economic order established by the increase in international prices of primary products and, on the other hand, consumer goods. This is when the export growth in emerging countries is accompanied by the rise in imports of basic products. The result, contrary to what the MAS government's political plans promised, was a lack of investments aimed at growing the industrial sector. A reorganised *suma qamaña*, theoretically compatible with the market economy, became evident behind a progressive government that conceived an "alternative development" rather than an "alternative to development" (Da Silva, 2019, p. 4).

Understanding the conflicts in the country requires revisiting the period when Evo Morales and the MAS, more a Social Movement than a party at the time, entered the presidency. His election in 2005 was a popular reaction to the privatisation of natural resources that began under Hugo Banzer's government (1997–2001), the adoption of the U.S. policy of eradicating coca leaf cultivation (a product of great cultural and economic importance for Bolivian peasants), the privatisation of key state-owned enterprises, poverty, unemployment, and the institutional breakdown that persisted post-dictatorship. The splitting of the state oil company YPFB following the model of capitalisation, the reduction of royalties paid by multinational corporations from 50% to 18%, and the decline in YPFB's revenue to the National Treasury (which in some years was seven times lower than the amount generated between 1985 and 1996) were some of the key issues during this period (Santos, 2018).

Between 1997 and 2002, U.S. interference in Bolivia increased, and international loans rose from 3.3% to 8.6% of GDP. In 2000, the sale of the Cochabamba water system to Bechtel and the transfer of full regulation of water resources to the Basic Sanitation Superintendency (Sisab) led to major clashes and the well-known "Water War," which started in Cochabamba but spread to other cities. In 2003, the "Gas War" marked another cycle of protests against the handing over of hydrocarbons to transnational corporations, ultimately leading to the resignation of President Gonzalo Sánchez de Lozada (2002–2003) (Domingues *et al.*, 2009; Santos, 2018).

These events culminated in the radicalisation of protests and more active mobilisation of the population, which began to demand a new form of democracy, spreading the promise of a Constituent Assembly, a new overall development model, the call for *suma qamaña*, and a new relationship in the management and trade of natural resources. In 2005, the presidential candidate from the MAS, given his peasant and union roots, presented a program for the nationalisation and industrialisation of hydrocarbons.

The adverse effects of maintaining extractivism on Evo Morales' popularity were the result of inflated social expectations driven by the election of the country's first indigenous president, the constitutionalisation of *suma qamaña* and plurinationality, and the internationalisation of the debate on Mother Earth. Public pressure increased, pushing the president on the terms of exploitation and preservation. As for the territorial dispute and opposition to neoextractivism, the repression of protests in Bolivia echoed the brutal violence faced by social and environmental movements throughout Latin America and the Caribbean in the ongoing struggle over development models (Grisul, 2018).

Some tensions in Bolivia's political scene led the MAS government to adopt a hardline stance, facing significant demands for territorial autonomy and plurinationality. In the same year, a decree (*Resolución Normativa de Directorio*, December 24, 2010) raising fuel prices by over 70% triggered massive protests. Santos' research reveals that "adults were kidnapped, families were dispersed in the jungle, children went missing for days, and at least three people were killed, including children. There were reports of pregnant women losing their babies due to beatings" (2018, p. 242, our translation).

The protests also manifested institutionally, occupying the democratic spaces of the new Plurinational State. For example, the *Asamblea del Pueblo Guaraní* in 2009 brought to light tensions between the Guaraní people and the MAS, which was primarily represented by the Aymara ethnicity (peasants and coca growers), questioning the non-consultative and disrespectful nature of the president's extractivist policies (Bebbington, 2009). In July, during the First Meeting of the Natural Resources Secretariats of Indigenous Peasant Organisations in La Paz, extractive activities were accused of “violating the collective rights recognised by the Political Constitution of the State (CPE), by laws and international treaties,” pointing out that this occurred because the government “does not allow an obligatory process of prior, free, and informed consultation and participation” (Bebbington, 2009, p. 18).

The criticisms were harsh, but the government persisted in dissuading the population, claiming that these were merely protests against national development. When the delegates criticised the visit of the Ministry of Hydrocarbons and Energy (MHE) to the Mosen and Lecos communities, accusing the government of manipulating local communities to support the YPFB-Petroandina Lliquimuni oil exploration project, Morales' response indicated the growing attack on environmental NGOs, ethnic groups, and environmental activists: “Unfortunately, some NGOs use certain union leaders to oppose and block the necessary environmental licenses to increase the number of wells and pump more oil” (Bebbington, 2009, p. 18).

Gudynas' fifth thesis links this moment of territorial disputes to an inherent characteristic of the new extractivism: “under the new extractivism, territorial fragmentation persists in deterritorialised areas, generating a network of enclaves and their connections to global markets, exacerbating territorial tensions” (2009, p. 201, our translation). Thus, it also undermines democracy and, consequently, the constitutionality of the Plurinational State. It is evident that as Bolivian democracy weakens, the criminalisation and repression of social movements intensify.

In addition to the clear violence directed at opponents, a harmful discourse apparatus was built against a state formed under the plurinational model. Critics were reduced to agents of conservative right-wing forces, imperialist supporters, or disgruntled politicians. According to the government, they were counter-revolutionary forces delaying technical and productive transformation, while contributing to the misery of the population (Santos, 2018). The denial of the climatic effects of extractivism was another strategy used to persuade the public that (neo)extractivism was the only way to overcome underdevelopment, accusing opponents of creating insurmountable barriers to the revolutionary process:

Likewise, the Bolivian revolutionary process is criticized for remaining in the “extractivist” stage of the economy, which would maintain harmful activity towards nature and seal its dependence on global capitalist domination. There is no historical evidence to certify that capitalist industrial societies are less harmful to Mother Earth than those dedicated to the extraction of raw materials, whether renewable or non-renewable. Moreover, data on global warming primarily point to greenhouse gas emissions from highly industrialized societies. [...] Extractivism is not a destiny, but it can be the starting point for its overcoming. Certainly, it encapsulates the entire territorial distribution of the global division of labor — a distribution that is often colonial. And to break this colonial subordination, it is not enough to fill one's mouth with insults against extractivism, stop producing, and plunge the people into even greater misery, only for the right to return to power and, without changing it, partially meet the basic needs of the population. (Linares, 2017, p. 7, our translation)

The neo-extractivist policy, summarised by the reproduction of the classic extractivism's logical structure, not only maintains but intensifies the adverse effects from an economic, environmental, political, and social perspective, despite the palliative role of social policies. This significantly deepens the dependency relationship with the countries of the Global North. The absence of a project that

confronts market policies and financial capitalism in terms of national industry development, production diversification, and long-term professional qualification is what largely perpetuates this condition.

It is evident that the profitability of raw material exploitation is high and capable of attracting foreign investments in ways that few economies in the region can match. However, Bebbington (2009) points out that the cost-benefit relationship should be revisited, because as economic gains grow, so do the human and political costs of this type of development. The fragility of a primary-export economy lies in its close subjection to international financial capital, which rearranges values, alliances, and exchanges based on high fluctuations, a factor that contributes to dissolving into very small pieces any possibility of political autonomy and economic emancipation (Valverde; Mercedes, 2016).

Domestic consumption of oil, natural gas, and derivatives is much lower than the amount of production in Latin America (Marini, 2015), and circulation is based on external market demand. By exporting what is produced and importing what is consumed, producing under the varied and endless conditions of capital exploitation and low productive diversity, the cycle of subordination to the international market and foreign investment is established.

In Bolivia, with export rates consistently increasing, the high numbers of imports growing concurrently clearly reflect the technological impoverishment of the country. The rent-seeking logic of hydrocarbon commercialisation favours the consumer goods industry of the Global North, imported as essential products for the population. As a result, the resources to develop capital and consumer goods industries and technological innovation within the country are scarce, cyclically reproducing what Bhagwati calls "poverty-inducing growth" (Acosta, 2011, p. 89, our translation). Depending on the government and public policies implemented, the surplus is also more limited for social policies aimed at sustaining life.

3 FINAL CONSIDERATIONS: ON CONTRADICTIONS AND LIMITS

The research analysed the complex relationship between neo-extractivism and *suma qamaña*, highlighting the contradictions present in Bolivian politics under Evo Morales' government. While the extractivist model was presented as a strategy to generate resources and overcome the country's primary-export dependence, subordination to the global market and the socio-environmental impacts of this model revealed structural limitations. The article questions to what extent the discourse of "strengthening to overcome" extractivism, supposedly aligned with the concept of *Suma qamaña*, could indeed promote sustainable and autonomous development for Bolivia.

Space constraints and reliance on secondary data limited the article's analysis of Evo Morales' neodevelopmentalist program, its industrialisation policies, and their connection with the environmental impacts of the extractivist model. For further details on the nationalisation of gas and oil in Bolivia, including procedures, legal changes, and economic and international implications, see Capri (2023)3.

The neodevelopmentalist interpretation of *suma qamaña* views extractivism as a technique, an instrument in the production of surplus to emancipate the population in the long term. According to this perspective, and as Linera (2017) argued, the centrality of the debate, which revolves around accepting or rejecting extractivist policies, should be replaced by an evaluation of how much we are overcoming capitalism as a mode of production.

The debate on the Bolivian question must encompass this contradiction and question how and to what extent we are overcoming (or creating the material possibilities to do so) capitalism as a mode of production, through an agenda that proposes neo-extractivism as the key (González, 2022).

Referring to Linera's writings and the speeches proclaimed by Evo Morales, the primary sector should not only be associated with welfare policies but also with investments in raw material processing

and local industry development, to support the expectation of benefiting from extractivist policies to overcome them. In one of his defences of extractivism, the former vice president stated that the production of surpluses generated by this economy, through expanded state control, would be responsible for ensuring education capable of generating a critical mass to take charge and, through science and interculturality, drive the advancement of national industrialisation processes and the knowledge economy (Linera, 2017).

The political strategy of the MAS government highlighted extractivism as a pillar for a new level of national development. The nationalisation of hydrocarbons emerged as one of the key public policies supporting this strategic horizon, reconciling not only the maintenance but also the intense strengthening of the environmental degradation model, with the possibility of developing and expanding other spheres of the Bolivian economy. Strengthening (extractivism) to overcome it appeared to be the paradox upheld by this project.

However, subordination to the global market, the volatility of oil prices, and fiscal pressure prevented any progress beyond compensation through social policies, as there are limits to a neoextractivism that disregards its socio-environmental destructive capacity. The increase in the import of basic goods, aimed at improving social indices and controlling inflation, was a policy that "discourages local production, causing profit opportunities to gravitate around extractivist income," transforming the economy into one that increasingly encourages consumption and less and less production (Santos, 2018, p. 248, our translation). Thus, the model does not present significant elements that keep the principles of *suma qamaña* in sight.

In understanding the cyclical condition of sector dependence, one must recognise natural resources as finite materials. As long as investments are not made to strengthen the processing of national raw materials, and the productive model is not diversified by seeking to explore renewable sources, the effects of extractivism grow. These effects include, among others, "loss of biodiversity, pollution of the environment and vital resources, and the leakage of toxic waste with serious consequences for the health of affected communities," and also "the effects of extractivism on the environment, with varying intensities, occur in all countries of Latin America and the Caribbean, especially impacting women and campesino, indigenous, and Afro-descendant populations" (Grisul, 2018, p. 4, our translation). Soon, this region will no longer have the range of resources to exploit and may have developed its productive forces to turn to alternative economic policies.

In general, primary-exporting economies are subject to a strong tendency toward denationalisation due to their integration into the monopolistic production logic, openness to foreign investment, and the precarisation of the national industry. According to Bambilra (2013), these factors dismantle the traditional economy but do not attract industrial dynamism; they do not establish or create the necessary foundations for the growth of the national economy. The volatility of capital and the subordinate relationship between the Global North and South, intrinsic to globalised capitalism, prevent foreign capital from building emancipatory structures in the economies of dependent countries.

In addition to the lack of solid national entrepreneurship and effective regional economic integration policies (Acosta, 2011), denationalisation is dialectically the guaranteed effect of this productive system, and a necessary element for its reproduction. In this sense, the presence of a deterritorialisation also establishes itself, transferring the responsibility for social demands to private companies, as they control the energy market capital. Disconnected from the territory, the management of each part's demands is carried out in a disorganised and disproportionate manner. All of this creates an environment of greater inequality, violence, poverty, and marginalisation (Acosta, 2011).

Paraphrasing Bambilra (2013), the only possibility of fostering state growth in countries like Bolivia, characterised by late and monopolistic industrialisation, is through its strengthening—recovering gaps in management, administration, and control, especially regarding natural wealth. The nationalisation of the primary sector, according to her, is what can begin to shake the structures of capital, but it

is insufficient to overthrow imperialist domination and open paths to alternative development. In addition to nationalisation, the new development (autonomous and emancipatory) would be driven by regional economic integration and the implementation of concrete energy sustainability policies.

In the horizon we are addressing, the advancement of regional economic policies aims to strengthen (not without intense opposition and potential blockages) political autonomy and sovereignty over domestic resources. International trade integration should follow the regional economic integration of primary goods-exporting countries, through the development of commercial strategies aimed at breaking away from the peripheral category of the system, through States with decision-making power over their resources (Cacciamenti; Bobik; Celli Jr, 2012).

The environmental costs of the extractivist policy are high, and although territorial conflicts have been highlighted as the driving force behind the Bolivian claims during Evo Morales's government, it should be noted that the conflict brings together rural and urban demands, due to effects that impact both groups. Bebbington (2009) clarifies that the extraction of resources from the land is evaluated not only based on the extent of the land over which the activity takes place but also in terms of the impact it has on other geographies.

Breaking the contradictions of a government, such as the MAS administration, which seeks to promote interculturality, economic growth, and social improvements under a rentier and predatory logic, is a challenging task. Achieving this requires a structural transformation through radical socialist understandings that integrate production, ecology, distribution, regional cooperation, and consumption. Lowy (2014) argues that the ecological issue demands a break from the linear conception of progress and the effects of Modernity on technological and economic paradigms. Similarly, currents within the *suma qamaña* critique “green capitalism” and conventional notions of sustainability. In the Latin American context, extractive policies, especially primary-export-driven ones, reveal the limitations imposed by globalisation. The nationalisation of gas and oil promoted by Evo Morales sought to address the consequences of this dependency, recovering state control over energy resources and improving social indicators, though paradoxically, it ended up strengthening this dependency.

NOTES

1 | A classic privatisation variation helped to compose the Plan de Todos, the economic plan of President Gonzalo Sánchez de Lozada (1993–1997), which capitalised several state-owned companies in the country, including those in the hydrocarbon, water, and mining sectors. The foreign companies most benefited from this measure were those leading operations in these sectors: the Brazilian Petrobras, the Spanish-Argentine Repsol YPF, the British British Gas and British Petroleum, and the French Total Fina Elf.

2 | This process is similar to the actions of governments such as those of Rafael Correa (2007), Lula (2002), Néstor Kirchner (2003), and Hugo Chávez (2002), who promoted the export of gas, oil, iron, lithium, and other minerals.

3 | CAPRI, D. A. de L. **Nacionalização Energética como Política Pública: a agenda petroleira de Evo Morales**. 2024. Master's Thesis (Political Science) – Federal University of the State of Rio de Janeiro, Rio de Janeiro, 2023

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