

Conflicts in the Countryside: The Political Ecology of Natural Gas Extraction In Southern Bolivia

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Regional Context

- ↑ social conflicts around EI activity - hydrocarbons “boom” in Ecuador, Peru and Bolivia.
- Significant overlap between the location of new hydrocarbons operations and areas traditionally occupied by lowland indigenous peoples.
- Local socio-environmental conflicts taken up by regional, national and global networks/coalitions.

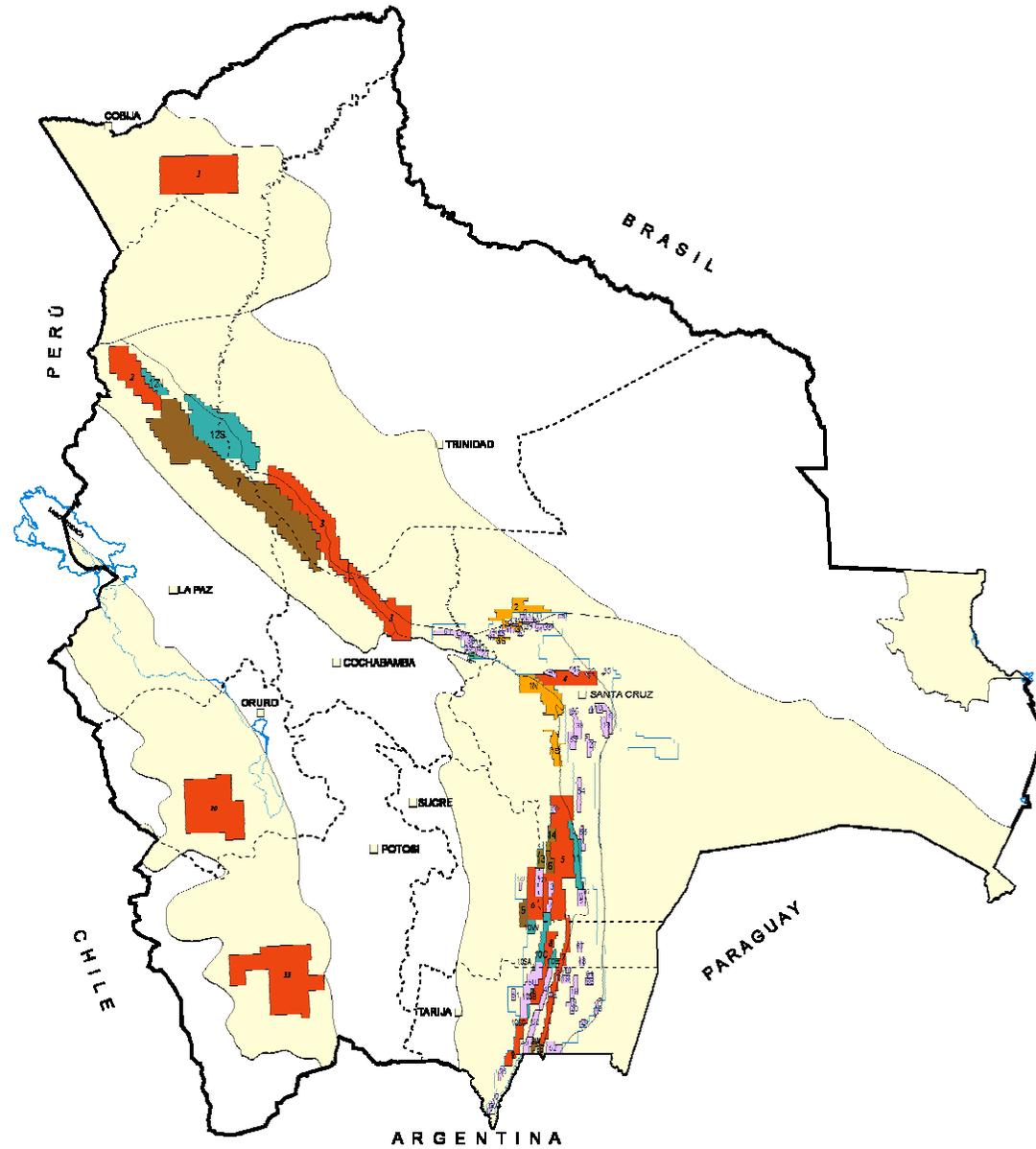
Economic and Legal Frameworks

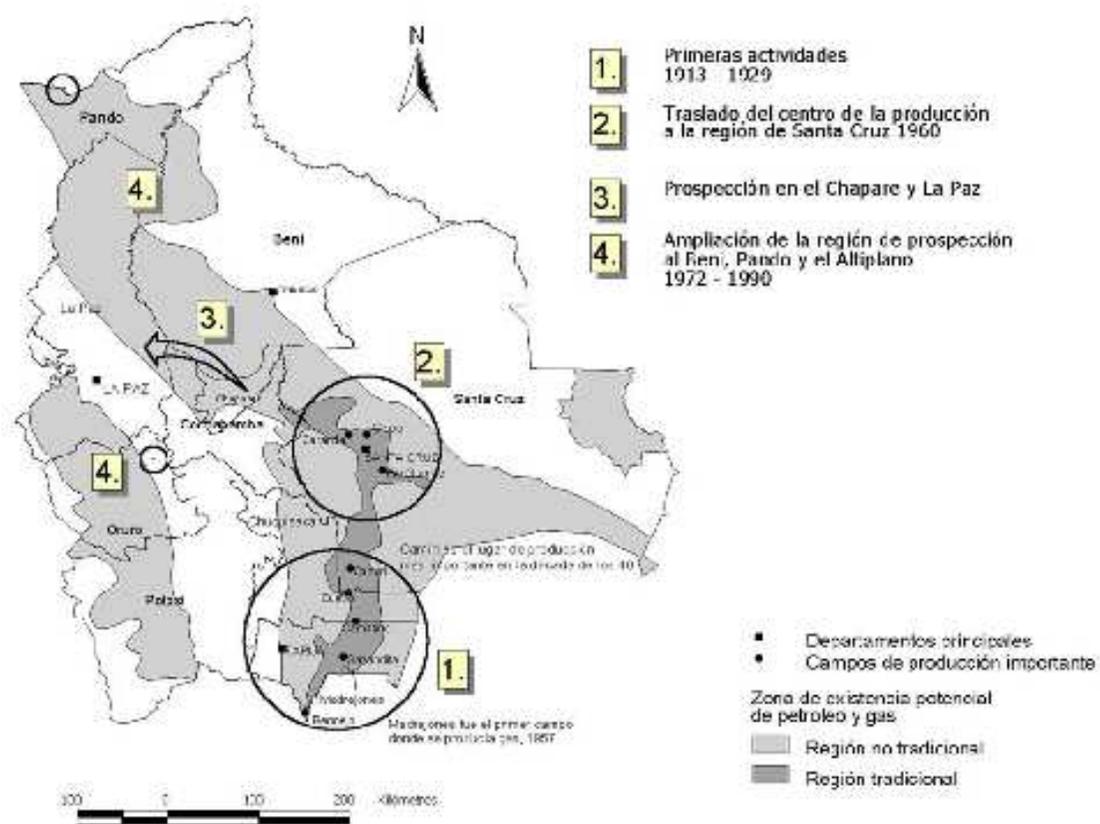
- Bolivia's economy overhauled (1980s);
- Capitalization (privatization) of state assets;
- Legal frameworks modified: less state control, more attractive/flexible terms for foreign companies;
- Return to export-led economy dominated by natural resources.

Bolivia: A New Gas Hub in South America?

- Private investment, IFIs, aimed to position Bolivia as regional supplier of natural gas in 1990s;
- Pacific LNG deal: flows of gas from Tarija thru Chilean ports and on to Northern Mexico and Southern California;
- But widespread protest halts the deal, ends political stability and brings Evo Morales and MAS to power;
- Proposed IIRSA energy ring (anillo energetico) abandoned;
- New projects/investment partnerships (Gazprom, PDVSA).

Cuadro N° 1: ÁREAS DE OPERACIÓN, ÁREAS RESERVADAS PARA YPFB Y ÁREAS LIBRES



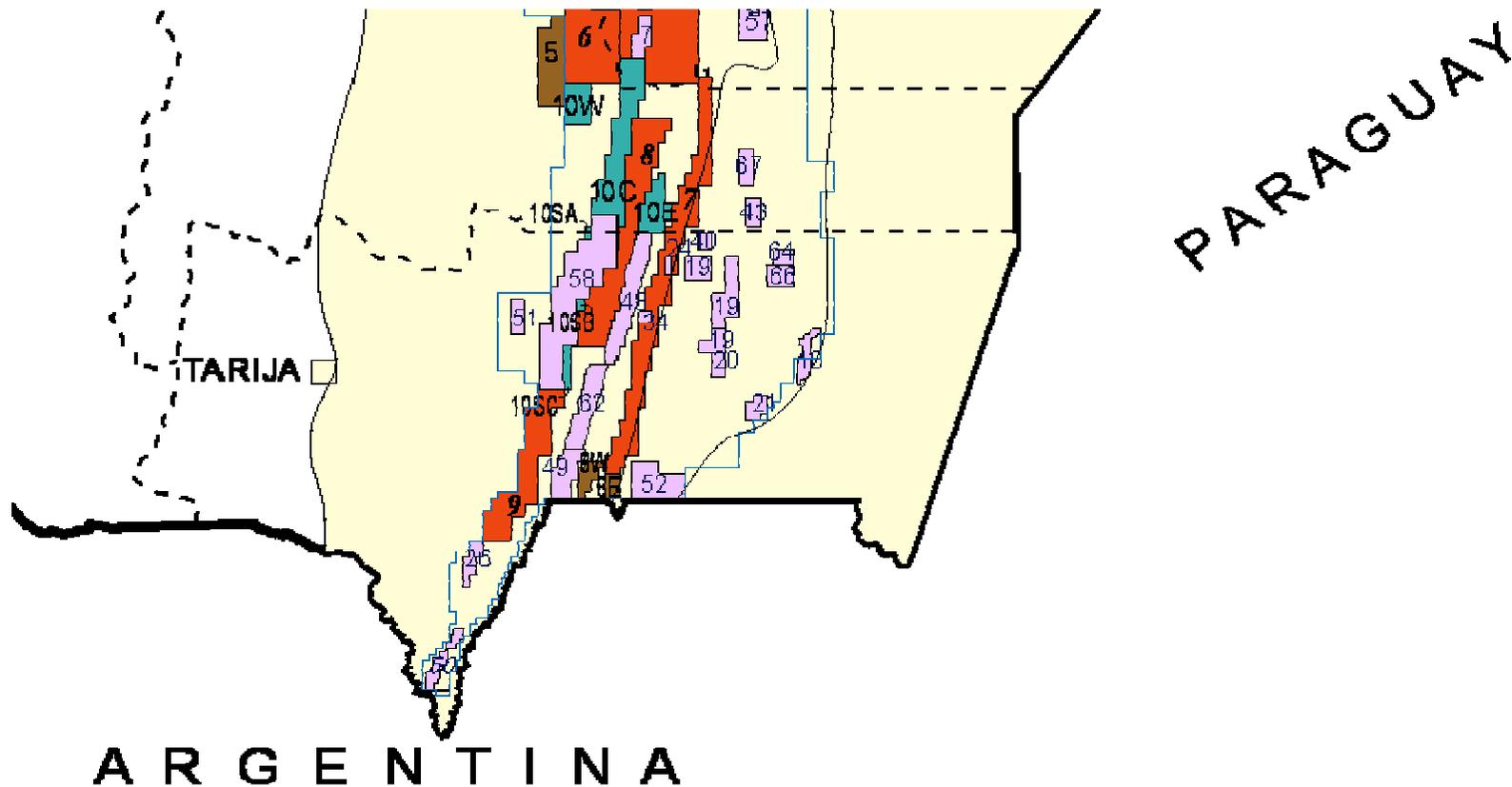


The New Hydrocarbons Economy

- During 1990s, private investment soars from US\$43.1m (1990) to US\$604m (1998)
- From 1997-2006 proven & probable hydrocarbon reserves increase (5.7tcf to 54.9tcf of natural gas and 201 to 957m barrels of oil)
- In 2007 Tarija leads country in total exports (US\$1.6b) 97% is derived from natural gas.
- Hydrocarbons rents increase from US\$173m (2002) to US\$1.571b (2007).

Uneven Consequences

Natural Gas Extraction and Conflict in Tarija



Uneven Consequences 1: Distribution and Use of IDH

National level:

- Transfers to pensioners (Renta Dignidad)
- Primary education stipends (Juancito Pinto)
- Indigenous Fund (5% of IDH)

Departmental level:

- Road Building
- Recurring Expenses (Fundacion Jubileo)
- Direct payment to families (Tarija)

Uneven Consequences 2: Natural Gas Extraction and Conflict in Tarija

- Center of gas production and transport in Bolivia – but, how to transform natural wealth into process of sustainable regional development?
- Indigenous Guarani communities directly impacted by hydrocarbons operations (contamination, loss of land-territory-wildlife, negative social impacts);
- ↑rents spark conflicts over ownership of gas wells, distribution of rents, industrialization of gas;
- Larger political economy of gas extraction, processing, distribution in South America.

References

- Map 1: Source: YPFB 2007.
- Map 2: Source: Fundacion Amigos de la Naturaleza (FAN) Santa Cruz, Bolivia.
- Map 3: Source: YPFB 2007.
- Fundacion Jubileo: Enero 2007, pp. 6-8,
<http://www.jubileobolivia.org/pdfs/Revista%20Jubileo%206.pdf>
- Hodges, T. (2007) Bolivia's Gas Nationalization: Opportunities and Challenges 1-4, Andean Information Network. http://www.ain-bolivia.org/index.php?option=com_content&task=view&id=106&Itemid=29, accessed 10 April 2008.