The Effects of Decentralization on the Democratic Deepening Process

A Case Study of Bolivia

Dissertation

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List of Acronyms

ADN	Acción Democratica Nacionalista / Nationalist Democratic Action
CDAP	Comité Departamental de Aprobación de Proyectos / Departmental Committee for the Approval of Porjects
CNE	Congreso Nacional de Educación / National Education Congress
COB	Central Obrera Boliviana / Bolivian Workers Central
CODENA	Consejo de Desarrollo Nacional / Council for National Development
CODEPES	Consejo de Desarrollo Productivo, Economico y Social / Productive, Economic and Social Development Council
CONDEPA	Conciencia de Patria / Conscience of Fatherland
CPPP	Consejos Provinciales de Participación Popular / Provincial Councils of Popular Participation
CSUTCB	Confederación Sindical Unica de Trabajadores Campesinos de Bolivia / Syndicated Unique Confederation of Bolivian Peasant Workers
CV	Comité de Vigilancia / Vigilance Committee
DILOS	Directorio Local de Salud / Local Directory of Health
DRU	Dirección Revolucionaria Unificada / Unified Revolutionary Directory
ENDE	Empresa Nacional de Electricidad / National Electricity Enterprise
ENFE	Empresa Nacional de Ferrocarriles / National Trains Enterprise
ENTEL	Empresa Nacional de Telecomunicaciones / National Telecommunications Enterprise
FCS	Fondo de Control Social / Social Control Fund
FDC	Fondo de Desarrollo Campesino / Campesino Development Fund
FIS	Fondo de Inversion Social / Social Investment Fund
FNDR	Fondo Nacional de Desarrollo Regional / National Fund for Regional Development
FPS	Fondo Nacional de Inversion Productiva y Social / National Productive and Social Investment Fund
FSTMB	Federación Sindical de Trabajadores Mineros de Bolivia / Syndicated Federation of Bolivian Mining Workers
JD	Juntas Distritales / District Juntas
JE	Juntas Escolares / School Juntas
JN	Juntas de Nucleo / Core Juntas
LAB	Lloyd Aereo Boliviano / Bolivian Air Lloyd
LPP	Ley de Participación Popular / Popular Participation Law
MAS	Movimiento al Socialismo / Movement Towards Socialism
MBL	Movimiento Bolivia Libre / Free Bolivia Movement
MDCS	Mecanismo Departamental de Control Social / Departmental Social Control Mechanisms
MIR	Moviniento de Izquierda Revolucionaria/ Leftist Revolutionary Movement
MNCS	Mecanismo Nacional de Control Social / National Social Control Mechanism
MNR	Movimiento Nacionalista Revolucionario / Revolutionary Nationalist Movement
MNRI	Movimiento Nacionalista Revolucionario de Izquierda / Leftist Revolutionary Nationalist Movement
MNRH	Movimiento Nacionalista Revolucionario Historico / Historic Revolutionary Nationalist Movement

MRTKL	Movimiento Revolucionario Tupak Katari de Liberación / Tupak Katari Revolutionary Movement of Liberation
NFR	Nueva Fuerza Republicana / New Republican Force
OTB	Organización Territorial de Base / Territorial Base Organization
PDM	Plan de Desarrollo Municipal / Municipal Development Plan
PDDES	Plan Departamental de Desarrollo Económico y Social / Departmental Plan for Economic and Social Development
PGDES	Plan General de Desarrollo Económico y Social de la República / General Plan for Economic and Social Development of the Republic
PM	Presupuesto Municipal / Municipal Budget
POA	Plan Operativo Anual / Annual Operative Plan
RDS	Redes de Salud / Health Networks
SAFCO	Ley de Administración y Control Gubernamental / Law of Administration and Government Control
SEDES	Servicios Departamentales de Salud / Departmental Health Service
SED-FMC	Servicios Departamentales para el Fortalecimiento Municipal y Comunitario / Departmental Service for the Strengthening of the Municipality and the Community
SISPLAN	Sistema Nacional de Planificacion / National Planning System
UCS	Unidad Civica de Solidaridad / Solidarity Civic Union
UDP	Unión Democratica Popular / Democratic Popular Union
UTPD	Unidad Téchnica de Planificación Departamental / Technical Unit of Departmental Planning
YPFB	Yacimientos Petroliferos Fiscales Bolivianos / Bolivian Fiscal Petroleum Deposits

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Chapter I

Introduction

1.1 Introduction

This dissertation aims at shedding light on the impact decentralization has had on the democratic deepening process in the context of the Bolivian experience. Based on the generally assumed stylized fact that decentralization leads to the deepening of democracy (see Chapter III) and the fact that throughout the 1990s Bolivia sought to explicitly deepen its democratic process by introducing a singular decentralization program (see Chapter II), this study seeks to better understand that impact by highlighting the effects and their manifestations as well as to explain those effects in a qualitative manner. Taking the Bolivian experience with decentralization as a case study, this dissertation looks at the country's volatile experience with democracy and its efforts towards deepening it. The inquiry is inspired by the following paradox: even though Bolivia has taken significant

steps to deepen its democratic process, the country's democratic experience has oscillated between procedural and institutional stability and the brink of democratic collapse. In contemplating that, the study seeks to contribute to the explanation of the paradox and the interpretation of the linkages between decentralization and democracy that emerge from considering the empirical evidence as well as to contribute to the development of the theory.

The second section of this chapter presents the puzzle from which the guiding question for this dissertation emerged. The third section develops the hypotheses which are derived from the research question. The fourth and fifth sections present the aims of the research and its rationale. The sixth section presents the theoretical framework. The seventh section briefly elaborates on the research design of this work and the manner in which the study attempts to answer the research question. However, the research design is explained in greater detail in the methodology chapter. Finally, in sections eight and nine, the chapter briefly discusses the major findings of the study and presents an overview of the chapters in the dissertation.

1.2 The puzzle

Over the last sixty years, the debate about decentralization, as an idea, has conceptually evolved. In the post-World War II era, decentralization was understood as an instrument of public policy where strong central governments began to decentralize their structures to adapt themselves to the new, mostly adverse, economic environment that had developed at the time. In the 1980s, the conception of decentralization adopted ideas of sharing of power, market liberalization, increasing state reform and democratization (see Falleti 2010; Cheema and Rondinelli 2007; Oxhorn 2004; Seele and Tulchin 2004; Montero and Samuels 2004, for some of the most important contributions). During the 1990s, the debate began considering ideas about inclusive democratic governance with wider public participation through civil society organizations (see Cameron 2010; Cheema and Rondinelli 2007). An illustrative example of the latter discussion and thus of the resulting

increasing scope of decentralization is shown by Cariño (2007) when quoting Rondinelli's[1] hypothesis about the *decentralization-democracy link*. The quote stated that decentralization brought the institutionalization of citizen participation into development planning and management, allowed for greater representation of citizens in the allocation of government resources and investments, increased political stability and unity by giving more groups a greater stake in maintaining the system, and overcame the control of local elites who may not be sensitive to the needs of the community.

The above mentioned conceptual evolution establishes the manner in which decentralization has come to be linked to the democratic process and the deepening of democracy. In fact, the current debate largely accepts that the two are intimately related and that, as such, they have the capacity to influence one another (see Chapter III). It is thus that a stylized fact emerging from the debate about decentralization proposes that decentralization brings democracy closer to the people and helps deepen democracy through the increase of citizen participation. This stylized fact has driven many countries in Asia, Africa, Latin America and Eastern Europe to, relatively unobserved, implement decentralization measures over the last three decades with the support of the international development cooperation agencies. These efforts have come to be known in the subject literature as the "quiet revolution" (Campbell 2003). In the Latin American region, in particular, this "quiet revolution" has been generally taking place as a result of the "third wave of democratization" (Huntington 1991). Enticed by promises of economic development, reduction of poverty, needed state reform, and increased democracy many young democracies in the region implemented decentralization programs with such objectives as bringing the government closer to the people, making the government more efficient and transparent in the supply of social services, increasing the political participation of citizens, and through all that, strengthening and deepening the democratic process.

As a result, one of the major consequences has been the significant rise of expectations in the populations as to the positive effects of decentralization measures on the democratic

[1] Dennis Rondinelli has been a major figure in the literature on decentralization. His work has laid the ground for a systematic definition of the concept and has influenced the work of the major development agencies as well as many scholars.

processes in these countries and thus on the lives of people. However, aspirations and reality have proven harder to reconcile. As the 2002 Human Development Report points out, at the empirical level, the experiences with democracy in the region have tended to counter conventional wisdom regarding these positive effects. The report maintains that in the last 10 to 20 years "democracy has not produced dividends in the lives of ordinary people" (UNDP 2002, 63). The report further argues that poverty and inequality have persisted and that, as a result, faith on the democratic process has dwindled to dangerous levels. Many countries' democratic experiences have been too unstable to be considered on their way to consolidation. Currently, the synergic relationship between decentralization and the deepening of democracy has been placed into serious question by the, at times, contradictory or ambiguous outcomes of decentralization measures around the world. At the same time, the paradoxical situation where new democracies have not been able to deliver on democracy's promises has only helped to deepen this skepticism.

One of these countries has been Bolivia which implemented its decentralization measures in the period between 1994 and 2005. However, Bolivia's efforts followed a clear path. After the return of democracy in 1982, one of the most important challenges was the deepening of Bolivia's democratic process. The expectations mentioned above were particularly strong among elites due to the complex political and social characteristics of the country. For this reason, the government implemented a singular decentralization program focused on the participation of the citizen in the political process. Unlike other similar experiences in the region, the program, developed by a group of technocrats, placed the citizen at the center of attention and formally made it the subject of the process. The decentralization was an effort to strengthen the young Bolivian democracy and to deepen the democratic process.

However, the empirical evidence contrasts the expectations the implementation of decentralization raised. The chronological account of Bolivia's democratic process (see Chapter II) brings to light the contradictions between the implementation of policy, aimed at furthering the democratization of the country, and the expected outcomes. On the one side, it is possible to observe a procedural and institutionally stable post-transition democracy. This would be a democracy where the political elites adopted the values as well

as respected and followed the procedures of democracy, institutionalized democratic behavior, and sought to further strengthen its democratic institutions as well as the process itself. In particular, it reveals how the elites sought to deepen the democratic process with the implementation of a singular decentralization program which relied on the participation of individual as well as institutionalized civil society organizations (see Chapter II for the contextual framework). On the other side, while it is true that with the decentralization program the level of citizen participation seemed to significantly increase, not only in elections but also in the decision-making process within the local government, the deep crisis of 2000/2005 has highlighted several unexpected and counterintuitive outcomes. During this period, the Bolivian democratic process oscillated from relative institutional and procedural stability to a state of fickleness and vulnerability in short periods of time; it experienced, several times, near breakdowns of the rule of law; explosive and violent confrontations between state and citizenry; deviations from the constitution; the breakdown of the party system and the inability of the governments to deal with social problems, among other things.

The current debate on decentralization, explicitly or implicitly and based on the mentioned stylized fact, i.e. that decentralization leads to the deepening of democracy, points to two basic findings: 1) decentralization is not a panacea, and 2) based on the experiences in the last 20 years, it has shown, at best, mixed or ambiguous results (see for example, Oxhorn 2005; Diamond 1999; Faguet 2003; O'Neill 2004; Canel 2001; Mahoney 2010; UNDP 2002; Gaventa 2006; Cameron 2010; Cheema and Rondinelli 2007; Cariño 2007). While it may be that decentralization brings democracy closer to the citizens and increases participation, democracy does not deepen from increased participation alone. Participation may be a necessary yet insufficient factor. Critics to decentralization have argued that it can also lead to authoritarian enclaves, intolerance and discrimination, exacerbation of geographic inequity, waste and redundancy (Diamond 1999). At the same time, it can also be argued that as a result of decentralization and thus increased participation citizens do not necessarily act more democratic. There is no assurance, up to this date, that anti-democratic movements cannot gain ground within a democracy and successfully challenge it. In fact, it seems plausible that the new political spaces created by decentralization also offer room for such movements. Even though, criticism and skepticism has brought a bit of caution to the

study of decentralization, a positive view on decentralization has been carried forward by supporters alike and even some critics. From that point of view, it could be deemed that the positive relationship between decentralization and democracy may have been taken for granted.

These fundamental contradictions between theory and practice raise the following questions:

1. How does decentralization affect the democratic process?
2. While it might be logical to think that decentralization has effects on the democratic process, i.e. the deepening the democracy, what is the nature of those effects?
3. What is the role of the different decentralization reforms on the democratization process?
4. What are the fundamental characteristics of the Bolivian decentralization process?
5. If decentralization was implemented to deepen the rather stable Bolivian democracy, why has the country gone through such as deep political and, at times, turbulent social crisis?

1.3 Hypotheses

The above mentioned research questions and the careful consideration of the debate about decentralization and democratic deepening prompt a set of answers that involve institutions, participation and citizenship as possible factors of interest. From the research work, the following two-tear set of hypotheses emerged, which can be either confirmed or rejected individually or in group. Since much of the literature about the Bolivian decentralization process establishes a positive relationship between decentralization and the deepening of democracy, the main hypothesis in this study is then:

The decentralization process had a positive impact on the deepening of democracy in Bolivia

Furthermore, based on the feedback of the series of expert interviews and from the literature on decentralization and democratic deepening, the following three sub-hypotheses were developed:

> *Sub-hypothesis 1: Decentralization had a positive effect on the deepening of the democratic process in Bolivia through the creation of institutionalized organizations.*
>
> *Sub-hypothesis 2: Decentralization had a positive effect on the deepening of the democratic process in Bolivia through the increase in citizen political participation.*
>
> *Sub-hypothesis 3: Decentralization had a positive effect on the deepening of the democratic process in Bolivia through the expansion and/or creation of citizenship.*

Sub-hypotheses one and two were developed in a deductive manner. They emerge from the review of the literature on decentralization and on democratic deepening. They represent the theory-testing part of this study. The third sub-hypothesis has been developed in an inductive manner. It emerged from the document analysis and the expert interviews. This sub-hypothesis represents the hypothesis-generating part of this study.

Institutionalized organization refers to the various institutions (governmental and non-governmental) created by the decentralization process with the purpose of creating a political space for citizen participation (individual and in groups). These institutions are divided, for analytical purposes, into normative legal institutions as well as governmental institutions and non-governmental or institutionalized civil society organizations. Under normative legal institutions it is understood the body of laws with which decentralization has been implemented[2]. Under governmental and civil society institutions the analysis looks at the spaces created for the participation of citizens and of government, i.e. territorial units, vigilance committees, education juntas, health networks and parent's committees as

[2] The analysis assumes a combination of classical and neo institutionalist approach to institutions. The theoretical approach is laid out in more specific terms in Chapter IV.

well as local governments, funds, overseeing commissions, technical units and other government agencies. Chapters III and V deal with these institutions in detail.

Citizen political participation refers to two kinds of political participation. The first type is measured by the participation of citizens in electoral processes such as national and local elections as well as other types of elections where the issuing of a vote is involved. The second type refers to non-electoral political participation and is measured by citizen participation in governmental democratic institutions and in non-governmental institutions as well as participation in civil society organizations, related with the political process. The latter indicators include: citizen participation in municipal assemblies, in the formulation of the annual operative plan, in civil society organizations, in protests, in community meetings, and in education-related meetings. Chapters III and VI deal with these kinds of participation in detail.

The expansion or creation of citizenship refers to the various ways in which citizens, first, gained additional rights to the ones already in attribution; second, became more aware of their rights and responsibilities; third, they gained the possibility to actively exercise those rights; and fourth, gathered citizenship skills. The creation of citizenship refers to the official attribution of rights and responsibilities, which in this study is for the most part social citizenship. These can be attributed to individuals or groups, such as ethnic groups or other civil society groups. Groups, organizations or another type of collective grouping can also be given legal status and, with it, rights and responsibilities. Under groups it is understood the territorial organizations and the overseeing committees. The indicators are divided into dimensions, creation, exercise and expansion of citizenship. The first refers to the formal certification of citizenship, while the second refers to the ability of individuals to exercise those rights and responsibilities, and the last refers to the expansion beyond rights and responsibilities in the form of the acquisition of democratic skills. The latter are not formal rights and obligations but form part of the current understanding of social citizenship in the democratic sense. Chapter III and VII deal with the issue of citizenship in greater detail.

1.4 Rationale and significance

The rationale for this study emanates from the desire to better understand a multi-level and multi-dimensional process such as decentralization and its capacity or ability to shape another process such as democracy. Ultimately, democracy, as a system of government has direct influence on the lives of the citizens living within it. The study of a singular case such as the Bolivian case might shed light on the potential positive as well as negative effects decentralization has on the democratic system. This might prove significant, in light of the world-wide efforts that have been already placed into practice by the implementation of decentralization. In this regard, the Bolivian case of decentralization is a particularly fitted object of study, not only because it is a case with singular characteristics, making it a critical case (see Chapter IV, section 4.2.2), but also because this case interestingly challenges conventional wisdom. For all we know, the Bolivian decentralization process could not have only had a positive effect on democracy; a negative effect would have been possible as well, i.e. the regression of the democratic process. For instance, it could have enabled anti-systemic groups within the society to gain control of power and actually reverse, not only the decentralization process, but also the democratic process. This situation could have been the result of an increase in participation but not in democratization.

What effects decentralization has on the democratic process is significant for of a number of reasons. First, decentralization, while it is one factor among others (i.e. elections, institutions, economic development, political groups, etc., to mention a few) affecting the democratic process, it has been utilized as a policy instrument by governments to directly and intentionally influence or shape the deepening of the democratic process as well as reforming the state. Governments since the 1980s have been explicitly designing decentralization policies with the intention of achieving just that through the creation of democratic institutions, opening new political spaces for participation and increasing citizen participation. Therefore, decentralization has been seen as an instrument to shape democracy. Second, decentralization itself influences many of the other factors affecting democracy through the modification or reform of the system. For example, decentralization reforms affect electoral outcomes, intergovernmental relations, the relationship between the

government and its citizens, etc. Third, in light of the first two reasons, it is important to improve our understanding of both the decentralization as well as the democratic processes. These processes have been and will be, in the foreseeable future, important components in the international community's efforts to further development to developing countries. At the same time, the same efforts will be done by national governments, which will seek to implement state reforms in order to further democratic deepening. Fourth, decentralization measures tend to have a direct impact on the lives of people through the reform of the state. The better we understand its effects on the system and therefore on the lives of people, the better will be the chances to adequately construct a democratic system. Fifth, it is important to understand the implications, benefits and perils of such policies in order to avoid risks, and diminish or balance negative effects. Finally, at the theoretical level, it bears significance to contrast empirical research with conventional knowledge in order to measure the validity of our theoretical propositions.

1.5 Aims of the research

This dissertation has two specific and four general objectives. At the specific level, the primary objective is to conduct an in-depth multi-level study of the decentralization program implemented in Bolivia since 1994 as well as to observe the effects it has had on the country's efforts to deepen its democracy. The first specific objective, in turn, includes three aims: to obtain an appreciation of the legal framework with which decentralization has been applied, to gain an appreciation of the depth of the decentralization process, and to better understand how the process shaped the democratic deepening. The second specific objective is to contribute to the further conceptualization of decentralization, not only as a multidimensional process but also as a dynamic and multi-level one (Oxhorn 2004). As far as I have been able to observe from the literature on decentralization there has not been an effort to propose a model that accounts for the dynamic and multi-dimensionality of the process, each of which interacting at a different level of abstraction.

At the more general level, the first objective of this dissertation is to fill a gap expressed in the literature on decentralization and the literature discussing the deepening of democracy. Both bodies of literature have, thus far, focused on the institutional and actors approaches

of the issue at hand, yet from within two different traditions. The decentralization debate has concentrated on the institutions, many of which open political spaces for citizens to participate. This debate has mostly concentrated on the top-down approach, where the central government seeks to reform the state and deepen the democratic process. However, there is an additional approach that some scholars advocate, i.e. the bottom-up approach. This approach emphasizes the role of society in pushing decentralization reforms and the deepening of democracy from the bottom-up. On the other side, the debate over the deepening of democracy, while taking a bottom-up approach and emphasizing the participation of people or society, implicitly places emphasis on the institutional arrangements where this participation takes place. This dissertation seeks to concentrate on the important democratic institutions and citizenship participation aspects, however, it also includes a more substantive aspect of participation, i.e. the creation of citizenship at all levels of decentralization. Citizenship or the creation of it is substantive because it relates to the essence of participation, which is the individual citizen who takes part or participates making use of his or her rights and obligations whether formal or informal. This particular gap in the literature and the conception of citizenship will be discussed as well as the rationale for framing this study in this manner with much more detail in Chapter III.

The second more general objective is the testing of a theoretical proposition which directly links decentralization to democracy (Mascareño 2009). This study comprises of an in-depth examination of a phenomenon (in this case the decentralization process and its effects on the deepening of democracy in Bolivia) to test that theoretical proposition. As observed in the theoretical framework section, while the general conclusions on decentralization have been that it is not a panacea for development and that its implementation, at least in the Latin American region –if not around the world—, has produced mixed results, there is a stylized theoretical proposition that decentralization has a positive effect on the deepening of democracy. This case study seeks to put this proposition to test.

The third more general objective of this dissertation is to generate, through careful observation, possible alternative hypotheses about the observed phenomenon (Buttolph et al. 2008, 150). Bolivia's decentralization program has had a particular focus on citizen participation, setting it apart from other decentralization programs around the Latin

American region due to its placement of citizens and civil society as the subjects of the process. By looking at the outlier Bolivian case (see Chapter III) it might be possible to identify the conditions that set it apart and formulate possible ways in which these conditions shape the process of democratic deepening. The fourth and final general objective is to fill a lacuna of systematic empirical studies contributing to the further understanding of both processes, decentralization and deepening of democracy, within a given context and under certain conditions thereby shedding light on the complexities of the relationship between decentralization and democratization (Oxhorn 2004, 4).

1.6 Theoretical approach

This study employs an eclectic combination of two theoretical approaches to frame the problem. This is primarily due to the lack of literature on the specific issue that the research question points to. There has been very little written about the effects decentralization might or might not have on the democratic deepening process. However, the richness of the debates about decentralization and about the deepening of democracy and the closeness to one another has proven to be the right strategy to frame the study at the theoretical level. On the one side, this study takes stock of the body of literature about decentralization. More specifically, the study traces the evolution of the debate highlighting the increasing association of the conception of decentralization with democracy, to the point of making an implicit and intrinsic linkage between the two concepts. Moreover, the study highlights that the focus of this literature has been on the institutional arrangement and the actors. On the other side, this dissertation reviews the body of literature about the deepening of democracy and finds out that the extensive debate has largely placed emphasis on the participation of citizens –within those institutions—in the political process as a measure for democratic deepening.

The result has been the bringing to light the gap that exists between the debates on decentralization and deepening of democracy. This gap exists in spite of the increasing agreement among scholars (see Chapter III) of the close relationship of the two concepts. In that light, this dissertation investigates the proposition that the decentralization process affects the democratic deepening process through the creation of institutions, the increase in

citizen participation and the creation and expansion of citizenship. The theoretical framework is explained in greater detail in Chapter III.

1.7 Research design

The underlying epistemological position of this study is pragmatism. Within this paradigm, an embedded, theory-led case study is employed. The use of a case study method implies the significance of the qualitative approach. Embedded case study means that the method included the mixed-methods approach. That is, to make use of the analytical benefits of qualitative as well as quantitative methods of data evaluation as a way of triangulating the results. The study is theory-led because it is founded on theory. Finally, triangulation was used in an effort to corroborate the results to bring strength and confidence on them. In the qualitative part of the dissertation, it was conducted formal document analysis of the entire body of legislation with which decentralization was implemented. This meant the process tracing analysis of the laws, decrees, and resolutions with which the process was implemented. Also expert interviews in Bolivia were conducted. Interview partners were a range of experts which included former congressmen and congresswomen, former and current government officials, consultants, and intellectuals. In the quantitative part, electoral and opinion survey data is analyzed through descriptive statistics. The electoral data was made available by the Bolivian electoral court and the political opinion survey data was made available by Latinobarometro and the Latin American Public Opinion Project (LAPOP), at Vanderbilt University. The study proposed two levels of hypotheses. The main hypothesis proposed that the decentralization process had a positive impact on the deepening of the Bolivian democracy. In order to be able to operationalize the hypothesis better, three sub-hypotheses are introduced. Two of which were deductively developed and the third was developed in an inductive manner.

Lastly, the study sought to uncover trends over a predetermined period of time as an indication of the effects decentralization might have had on the deepening of democracy. For that reason, the dissertation focuses on the analysis of the period of implementation from the introduction of the decentralization program in 1994 to the beginning of fundamental changes to the decentralization process introduced by the current government

in 2005. The importance of focusing on one isolated period lies on the fact that, by controlling for other variables, it is possible to observe any positive, neutral or negative trend on the indicators which would signal the effect decentralization has had on the democratic deepening process. This logic is based on the fact that any other factor's effects were controlled for during this period by the fact that decentralization was applied as a reform to specifically change the system of government. This means that since the reforms were implemented through legislation, they have fundamentally and directly reshaped the Bolivian system of government and thus the democratic process.

1.8 Findings

In the first place, this study could not confirm the hypothesis about decentralization having a positive effect on the deepening of democracy. In contrast, whilst decentralization has effects on the democratic deepening process, the results of this study confirm the general view that these effects are at best ambiguous. In this sense, this dissertation helps to support the theoretical propositions being advanced by other scholars. It does so by providing empirical evidence from one case study. In first place, the study found that the introduction of the decentralization process did significantly reshape the Bolivian system of government. It did so by, first, introducing normative institutions which were aimed at changing the shape of the government structure. Second, the introduction of such normative institution resulted on the creation and, at times, reform of the institutional arrangement within the government and the creation of new institutionalized civil society organizations.

In second place, the study found ambiguous results when it came to the participation of citizens in the political process. One important finding was that while there was an increase in the political participation in elections, this increase was minimal and could not be significantly attributed to the decentralization process. In the same manner, the analysis of citizen participation in the created institutions revealed that the participation of citizens in the governmental institutional framework created by the decentralization was not significant. On the other hand, the study revealed evidence that citizen participation concentrated more on the local non-governmental institutional arrangements. In particular, the community seemed to be the place of preference to participate.

In third place, while decentralization contributed to the creation of citizenship, especially group citizenship, the study revealed that the expansion and exercise of citizenship was ambiguous. The study revealed that a large majority of Bolivian citizens do not make use of the social rights implicit in the decentralization process. This means that they do not exercise the expanded rights the law attributes them with the exception of some rights such as their right to demonstrate and their right to express themselves.

Moreover, one negative effect that crystalized through the analysis was that decentralization contributed to the creation of localized political elites. The analysis showed that some 20 percent of citizens only had taken part on the local decision-making and policy-making mechanisms the decentralization process introduced. Another negative effect, which was highlighted by an interviewee, was that the decentralization process might have contributed to a level of hyper-participation of civil society.

1.9 Overview of the book

Including Chapter I, which is the introduction and presents a brief summary of this study, this dissertation contains eight chapters. Chapter II presents a detail description of the historical context, which is important in order to place the analysis in a historical context that frames the problem. Specifically, the study emphasizes the path the volatile Bolivian democratic process has gone through since 1982, i.e. from a relative procedural and institutional stability in democratic terms to the introduction of a unique type of reforms aimed at consolidating the democratic process to a period of high political uncertainty and instability as well as social convulsion. The chapter seeks to emphasize the factor that sets the Bolivian case apart (see Chapters II and III), namely that Popular Participation –as the decentralization was denominated—was implemented precisely with the objective to deepen the democratic process.

Chapter III reviews the literature on the two relevant debates and outlines the conceptual framework of the study, where it is considered the theoretical propositions of decentralization as well as the deepening of democracy debates. It is argued that these two

bodies of literature have a common thread, which is the institutional arrangement and citizen participation. This leads to posit certain congruencies on their conclusions and a mutual lack of attention on the more substantive aspects of participation, i.e. citizenship. Chapter IV presents, in detail, the methodological approach of this dissertation. It includes the presentation of the methods of analysis as well as the methods of data evaluation. It describes the work, the data and the methods of collection. It describes the data itself and the participants. Lastly, it discusses limitations of the study and provides a brief summary. Chapter V shows how the decentralization process in Bolivia has created an array of democratic institutions where citizens could participate. At the same time, the chapter investigates in which ways the decentralization affected the Bolivian democratic process. Chapter VI shows how decentralization aimed at increasing the level of citizen political participation in Bolivia and what effects it has had on the democratic process. Chapter VII shows how has the process of decentralization in Bolivia affected the creation of citizenship, in terms of individuals and groups not only being able to actively participate in the process but, in addition, how the perception of the system changed as a result of citizens being able to exercise an array of democratic rights and responsibilities that were not available before and how this affected the democratic process in the country. Chapter VIII presents the conclusions and recommendations.

Chapter II

Bolivia's Democratic Evolution

and

its Efforts to Deepen the Democratic Process

2.1 Introduction and contextual background

Over the last 28 years Bolivia's democracy developed through two chronologically distinctive yet interrelated periods, the transition to democracy together with the country's efforts to deepen the democratic process (1982 to 2000) and the deep political and social crisis period (2000 to 2005). The initial period was first marked by the transformation of the regime from a military dictatorship to a state ruled by democratic principles and procedures. In consequence, democracy evolved into a fully fledged representative democracy, which many, back then, characterized as a model for the region (Pachano 2006;

Mayorga 1997; 2001) because it gave way to a relatively stable institutional and procedural evolution of democracy in political and economic terms.

For purpose of clarity, it is important, at this point, to better define the use of the institutional and procedural concepts. In this study, institutional and procedural stability is based on Dahl's (1971; 2000) conditions for democracy or polyarchy. He summarized these conditions thus: Decision-making is constitutionally vested on elected officials, officials are chosen and peacefully removed from office in frequent and relatively free and fair elections, all adults have the right to vote, and citizens enjoy the benefit of basic freedoms as well as having access to alternative forms of information. A key condition here is the frequency of elections. When a country has organized and carried out more than two consecutive elections and, as a result, transferred power in a peaceful and procedural manner, it has passed the test of time and therefore its system of government has demonstrated a level of endurance over time which can be associated with normalcy and self-evidence indicating a degree of stability. Therefore, a country that meets these conditions, according to Dahl, is a stable democracy.

Whilst this proposition has been widely accepted as minimum requirements for democracy, it has not been free of criticism. In fact, many scholars have criticized its minimalist procedural approach and some others have even deemed it electoral democracy, meaning it focuses too much on elections. Moreover, Dahl himself, in a sign of acceptance to this criticism, in his later writings, has further developed his contribution to include other non-procedural aspects such as citizen participation. Nonetheless, Dahl's basic conditions have been widely accepted and used by scholars to talk about functioning and, to a large degree, to talk about stable democracies. The fact that a democracy functions, i.e. meets Dahl's requirements, has meant that it has entered a period of endurance, which in turn means of stability. Therefore, while it cannot be claimed that during this stable period Bolivia experienced socio-political stability, it can be spoken of Bolivia's procedural and institutional stability, which led to a significant degree of political and economic stability as well. In fact, the country experienced six procedural, consecutive and peaceful transmissions of government, six internationally observed and labeled as free and fair national elections, a favorable macroeconomic environment and a coalition-building,

continuity-furthering and stability-conducing system based on political accords among the political forces of the time.

Once Bolivia fully embraced democracy and once it reached a degree of procedural and institutional stability, the country embarked on one of the most significant attempts in the region to deepen its democratic process. In 1994 the ruling elites in the country introduced a singular type of decentralization process denominated *Participación Popular* or Popular Participation. Based, at first, on a much larger debate on economic development as well as a debate on how could the latter be accomplished through the reform of the state and the inclusion of people as decision-makers, decentralization was proposed as a policy alternative to produce desirable effects, i.e. open spaces for citizen's political participation and the further democratization and thus consolidation of the system (HDR 1993; WBIEG 2008; UCLG 2008). Aside from reforming the state and re-distributing authority from the central government to sub-national governments, the Bolivian decentralization measure particularly aimed at placing the citizen at the center of the system and bringing excluded sectors of society into the system, creating political spaces for citizen participation, increase the participation of citizens in the political process and decision-making process and, in that manner, bring democracy closer to the people. The reasoning was, if citizens became the subject of the process and actively participated in the democratic process, the process itself would deepen and democracy would consolidate. This expectation heavily relied on the corollary implied by decentralization proponents, namely that decentralization does lead to the deepening of democracy.

However, and in stark contrast to the expectations emerging from the democratization of the country and the efforts to deepen the democratic process, the second period was marked by deep political and social crises. This was a crisis which, in various occasions, in spite of the efforts to consolidate the democratic process, placed the very survival of democracy into serious question. This period presented the following characteristics: The change of four presidents in three years –two of those forced out of office by violent protests—, one president was virtually appointed by protesters skipping the constitutionally mandated line of succession, and constant violent confrontation between the police and protesters and the collapse of the political party system.

Bolivia's experience with this kind of democratic volatility would not be much different from that of other countries in the region. The events in Argentina on December 2001, during the *Corralito* crisis; Ecuador's popular uprisings on January 2000 and April 2005; as well as Peru's disturbances on November 2000 are but a few examples of such social and political volatility in the region. In fact, Bolivia has also had its share of disturbances due to political and social crises, which could also be attributed to other processes such as democratization or the implementation of neo-liberal policies. However, what sets Bolivia apart from all these examples is the implementation of a singular decentralization effort with the unique in the region effort to place the citizen at the center in order to further deepen Bolivia's democratic process. This was a process that went from establishing a procedurally and institutionally stable democracy to implementing, what have largely been deemed as successful efforts to deepen the democratic process to a state of crisis where the continuation of democracy was seriously questioned. The Bolivian case is not only a challenge to the conventional wisdom about the decentralization efforts and its effects on the democratic process. It is also a valuable object of study, one which has the potential to contribute to the relatively small amount of empirical research work on this topic.

2.2 Bolivia's democratic evolution and its efforts to deepen democracy

Bolivia's transition to democracy began on October 10, 1982 with the inauguration of Hernan Siles Suazo[3] as the first civilian person to have been elected President of Bolivia in a long time. This was a first time after a long spell of military regimes extending over the second half of the 1960s, all of the 1970s and the very beginning of the 1980s. From 1982 on, the country fully engaged in what Huntington (1991) called "the third wave of democratization." Siles Suazo took office leading a weak leftist minority coalition denominated Democratic Popular Union (UDP, *Unión Democratica Popular*), which included, among other smaller leftist parties, the more politically relevant Bolivian Communist Party (PCB, *Partido Comunista Boliviano*), the then influential left leaning Nationalist Revolutionary Movement of the Left (MNRI, *Movimiento Nacionalista*

[3] Hernan Siles Suazo had been a major player in the April 1952 National Revolution, an event that largely defined Bolivia's contemporary history. It was Siles Suazo's second term as president. His first term was from 1956 to 1960.

Revolucionario de Izquierda) —Siles' own party—and the center-left Leftist Revolutionary Movement (MIR, *Movimiento de Izquierda Revolucionaria*). This opposition parties Historical Nationalist Revolutionary Movement (MNRH, *Movimiento Nacionalista Revolucionario Historico*) and Nationalist Democratic Action (AND, *Acción Democratica Nacionalista*) had the majority of seats in Congress and thus had the control over Congress. One initial favorable factor for the government was the support of the labor movement in the form of an alliance with the three most powerful labor organizations in the country, the Central Workers Union (COB, *Central Obrera Boliviana*), the Miner's Union, Syndicate Federation of Bolivian Mining Workers (FSTMB, *Federación Sindical de Trabajadores Mineros de Bolivia*) and the *campesino* labor confederation Syndicate Confederation of Bolivian Peasant Workers (CSUTCB, *Confederación Sindical Unica de Trabajadores Campesinos de Bolivia*). However, the relationship with its allies was going to prove the government's Achilles' heel.

The government's performance was affected by three factors, which culminated in a premature, turbulent, yet procedurally peaceful end of the presidential period through new elections. Aside from having to face the worst economic recession in Bolivia's recent history, the Siles government rapidly found itself held hostage by its troubled relationship with its allies and its open confrontation with the opposition. As Siles took office, the economic conditions could be characterized in the following manner: negative economic growth, a galloping hyperinflation, a substantially large budget deficit and an increasing difficulty to pay its foreign debt. In addition, the collapse of the most important source of income, the mining industry, had a devastating effect on employment, foreign reserves and government earnings (Sachs 1987). In response, the Siles government sought repeatedly to increase government revenues and further the production of goods and services by issuing a series of economic packages aimed at reestablishing macroeconomic stability. However, the hyperinflation problem overwhelmed the government with its effects on prices and on the currency and only allowed room to catch up with it by repeatedly readjusting the general price level of goods and services and the exchange rate; a course of action which only led to a downward spiral into severe economic adversity.

A consequence of the dire economic conditions –specifically accelerating prices and wide unemployment—was the rapid deterioration of the government's relationship with its allies. An added component and more decisive factor of this deterioration was the discrepancy among allies over the implementation of the *cogestión*[4] or shared administration model of management, which had been fundamental for the alliance. This model, implemented during the 1952 National Revolution[5], proposed the participation of union members in the boards of public companies and in the government's cabinet. Siles had promised to bring back the shared administration model of management. However, unlike in 1952, the government and the allies did not share the same understanding of the concept. While, the labor movement expected direct access to decision-making posts as well as majority representation in the boards and cabinet in order to be able to control power, the government offered equal representation of both, government and labor unions, with the ultimate decision resting on the government's tie-breaking vote. The expectations of both parties were not met and the arrangement was destined to failure because, on the one side, the labor movement thought the government was attempting to co-opt the labor movement through a 'controlled' participation. On the other side, the coalition member MIR argued that the labor movements were already represented in government by the UDP and that equal participation was more than enough (Lazarte and Pacheco 1992).

As the government and its allies grew apart, the latter began to radicalize their demands for political participation at the governmental level demanding the implementation of the *cogestión* model. Those demands became openly confrontational towards the government when one of the more radical wings within the COB, denominated Unified Revolutionary Directory (DRU, *Dirección Revolucionaria Unificada*), took over the organization's leadership. The result was an exponential increase in the number of demonstrations, strikes, and road blockades against the government. As Lazarte and Pacheco (1992, 117) state, the

[4] This idea had been introduced during the 1952 National Revolution. It granted the mining labor union and the COB access to decision-making posts, not only in the boards of the nationalized mining industry but also in government offices and ministries.

[5] The 1952 National Revolution was one of the events marking modern Bolivian history. A rebellion that started as many rebellions before it (in complicity with the army), it tuned into a fully armed civilian revolution which aimed at changing the system and establishing a hegemonic project where the major political party co-governed with the proletariat. Its major actors were, the party, Nationalist Revolutionary Movement (MNR, *Movimiento Nacionalista Revolucionario*), led by Hernan Siles and Victor Paz Estenssoro and the workers union, COB.

rise in street protests from 1983 to 1984 reached 192 per cent and the number of protests demanding higher wages increased by 277 per cent in the same period. These actions hardly left room for government maneuvering and did not only spring up as soon as the government would issue an economic package, but often they would precede the government's actions themselves. The deterioration of the government's relationship with the labor unions virtually placed the government against the wall.

Lastly, Siles led a minority government for most of its presidency and his government was the object of strong attacks emanating from the opposition in Congress. The latter did not only successfully block most of the government's efforts to pass legislation to deal with the emergency at hand, but especially wielded attempts to remove him from office, which in the end were successful. For example, at one point, the Senate censured the entire cabinet, forcing Siles into a government crisis. Another example were the repeated calls within Congress to start an impeachment process alleging "incapacity to govern" against Siles (LAWR 1983). In December 1983, the prominent and, at the time popular, leader of ADN, Hugo Banzer, outlined in an interview that Siles had two alternatives, one, he could call to early elections in 1984, or two, he could resign and make space for his Vice President to take office. Finally, some politicians sought to destabilize the government by circulating rumors on military coups (LAWR 1983). In the end, in a meeting organized by the Catholic Church, the opposition (ADN and MNRH), together with the coalition partner, MIR, pushed the government to move one year forward the presidential elections to 1985. Siles saw himself flanked by Congress, the opposition and the wave of social protest on the streets.

The transition to democracy was not easy. The Siles government was born in a historically difficult situation. The precarious economic conditions led to equally precarious political and social conditions, where rumors of coups, political manipulation, strikes, hunger strikes, and road blockades still made the daily headlines. However, it was remarkable that regardless of how precarious the situation was, the country did not fall back into what had previously been the normal procedures to resolve such problems[6]. For instance, the military

[6] Coup d'états and other forms of government overthrow were the usual means to resolve power disputes among the different political forces in Bolivian history.

stayed under civilian control and did not intervene. Moreover, the elites began to resolve differences within the frame of the rule of law and the Constitution. The transfer of power marked a significant change in the attitudes of the elites in resolving the problems of the nation. Thus, the resignation of Siles was decided in agreement with the most relevant political forces of the time, the opposition, the labor movement and even the Catholic Church. The president called to elections, organized them and carried them out. These, were qualified as largely free and fair by international observers.

2.3 Democratic stability

Once transition to democracy was surmounted, the process' democratic values, practices and procedures began to be adopted by the political elites and the population in general. The Victor Paz Estenssoro government was elected into office and inaugurated on August 6, 1985. The result of the elections left the government a comfortable majority in Congress, led by the MNR. Once in office, the government took the first steps towards the stabilization of the democratic process. One first step was the introduction of a neoliberal economic policy approach, which was a radical departure from prior economic policy. While it initially sought to stop the economic crisis, it also planned to introduce a fundamental change into the economic model of the country. The idea was heavily influenced by what later came to be known as the Washington Consensus. A second step was a change in political behavior introduced by the political elite. This behavior consisted in making use of the coalition-building mechanism in the Constitution in order to build majority governments with the use of *Democracia Pactada* or Accorded Democracy[7].

As Victor Paz took office, hyperinflation was still devastating the Bolivian economy. By some accounts, the inflation index reached 20,000 per cent between July 1984 and July 1985 and the economy lost about one quarter its size (Toranzo 2006, 275). Shortly after taking office, the government reacted by issuing Supreme Decree No. 21060, which was

[7] *Democracia Pactada* referred to article 90 in the Bolivian Constitution, originally introduced in 1839 but only applied during the 1985 – 2005 period. This article provided a mechanism for the election of the President in the case no candidate attained a simple majority (50% + 1) of the plurality vote. If no candidate reached this level, the vote to elect the president had to be carried out in Congress (both, the Senate and the Deputy's Chamber) among the three most voted candidates. Since the constitutional reform of 2004, the number of candidates was reduced to the two most voted candidates. The mechanism practically forced the political forces in Congress to build coalition governments.

designed to apply a shock-treatment to control inflation and set the stage for the liberalization of the economy. The New Economic Policy, as it was known, sought to reduce government expenses and increase intakes by freezing wages and public investment, liberalizing the exchange rate and general prices of goods, eliminating most subsidies, and making hiring practices more flexible (Ojeda 2002, 39-77). In addition, the government sought to reduce its expenses by reducing its payroll, which had a significant impact on employment (especially the radical downsizing of the state-led mining industry). Furthermore, it reduced the weight of the state in the economy to favor private enterprise and free markets.

The effect of the New Economic Policy was immediate and proved to be very successful in recovering the calm and stability of the economic environment. It reestablished macroeconomic stability and furthered political as well as social stability. The measures abruptly stopped the accelerating rise in prices of goods, brought hyperinflation under successful control, stabilized the exchange rate, opened the economy for the free exchange of goods in the international markets and resumed economic growth. Moreover, together with a reform of the tax code, the policy contributed to a marked improvement in the country's ability to raise revenue and meet its international obligations. In social and political terms, the measure eliminated the deep economic uncertainty that the government as well as citizens had experienced during the crisis. The Paz government could begin to think about policy in medium- and long-range terms. As prices of essential goods began to stabilize, the price of the dollar was controlled and as people's salaries could last to the end of the month, they began to come out of their shock and started thinking beyond the day's end.

The second step was the institutionalization of coalition-building practices by the political forces in Congress, in order to build majority governments with improved prospects of governability. As noted above, Accorded Democracy was a singular consociational model (Lijphart 1999) which allowed the political parties with representation in Congress to elect a president without the need for a second round of elections[8]. The advent of Accorded

[8] In the 17 years that Accorded Democracy functioned, it gave rise to four broad coalition governments. The first one was the one between the MNR and ADN, headed by Victor Paz, in October 1985 named Pact for

Democracy allowed the establishment of arguably one of the most institutionally and procedurally stable periods for the Bolivian democratic process. Within these 17 years (1985 to 2002), the governments of Jaime Paz Zamora, Gonzalo Sanchez de Lozada (first presidential period), Hugo Banzer Suarez and Jorge Quiroga were procedurally and politically stable and the transfer of government was exceptionally atypical –in relative terms—of the Bolivian previous political reality. First of all, Accorded Democracy brought much needed continuity to governance. There was a common attitude among the ruling elites about the need to continue the policies began in the Paz Estenssoro's presidency or, at the very least, to follow the same lines if not the policies themselves. Second, it greatly reduced the risk of deadlock between the Legislative and the Executive by promoting the building of majority governments. Because the new governments entered their periods with a majority support in Congress, the Executive's policy initiatives had a better chance at becoming law. Third, the coalition-building mechanism introduced a healthy amount of bounded uncertainty which manifested in the alternation among the political forces. The coalitions were partly built on the premise of providing alternating electoral support. In that manner, the one party would support the election of a candidate expecting support for its own candidate in the next elections. At the same time, the opposition could also be relatively certain that it had the chance to take office in the next election. It had the chance to break an alliance by building itself alliances with the other parties. The chance at breaking the alternating cycle gave the opposition a bounded certainty. Lastly, it instituted the idea of consociationalism and made it a part of the political system.

After being elected through the coalition-building mechanism, Jaime Paz Zamora was inaugurated on August 6, 1989. This alliance was made up of the first and third most voted political forces. This was an alliance that had overcome a deep animosity among the MIR

Democracy or *Pacto por la Democracia*. The second accord was denominated Patriotic Agreement or *Acuerdo Patriotico* and was established in 1989 among ADN and MIR and was led by Jaime Paz Zamora. The third accord was made up of two pacts and both led by new MNR leader Sanchez de Lozada. One of the pacts was called Pact for Governability or *Pacto por la Gobernabilidad* and was between the MNR and the Movement Free Bolivia (MBL, *Movimiento Bolivia Libre*) and the other was called Pact for Change or *Pacto por el Cambio* and was between the MNR and Solidarity Civic Union (UCS, *Unión Civica Solidaridad*). The last accord was led by Hugo Banzer and was denominated Compromise for Bolivia or *Compromiso por Bolivia* which involved at least eight other political parties, of which the most important were the traditional ADN and MIR and the relative newcomer parties, UCS and Conscience of the Motherland (CONDEPA, *Conciencia de Patria*).

and ADN[9]. In an effort to continue what Paz Estenssoro had began, Paz Zamora sought to continue the implementation of Supreme Decree No. 21060 and address the institutional consolidation problem. Some of the steps involved were: to bring transparency into the actions of the electoral court; to begin the process for education reform; to introduce the single-district member representation in half the Chamber of Deputies; and to create the Office of the Ombudsman, the Constitutional Tribunal and the *Consejo de la Judicatura* (Overseeing body of the Judicial Branch). It also laid the ground for the preliminary debate to the implementation of decentralization as well as the first steps by issuing Law SAFCO, No. 1178, which introduced a multi-level approach to the administration and control of the State. However, the Paz Zamora government did not have the political force to implement all of the agenda Supreme Decree No. 21060 had prescribed. In fact, the government avoided the privatization of state enterprises. Since the government's main party, MIR, was the third political force in the country, it did not have the necessary weight to carry out a privatization such as the one the prior government had pushed through with the state mining company, Bolivian Mining Corporation (COMIBOL, *Corporación Minera de Bolivia*), which had resulted in the lay-off of around 31,000 employees (Toranzo 2006).

Yet, it was going to be under the Sanchez de Lozada's first government that the more significant efforts towards the deepening of the democratic process were done. On August 6, 1993, Gonzalo Sanchez de Lozada took office with a large coalition which gave him a comfortable majority in Congress. The alliance comprised of the MNR, UCS, MBL, and the indigenous party Liberation Movement *Tupac Katari* (MRTKL, *Movimiento Revolucionario Tupac Katari de Liberación*). This comfortable position allowed the new government to approach its policy agenda with much more confidence than prior governments. Once the economic conditions were appropriate, i.e. the macroeconomic environment was stable and the government was generating funds to finance its agenda, the government chose to concentrate on the consolidation of the process. The Sanchez government achieved two major objectives during its first period. First, it carried out an ambitious capitalization[10] program, which virtually privatized the Bolivian economy. Five of the most important state companies were capitalized, the telecommunications company,

[9] Jaime Paz Zamora and his party, MIR, had been persecuted by the Hugo Banzer dictatorship in the 1970s.
[10] Capitalization meant the selling of 50 per cent or more of state enterprises' shares to private investors.

National Telecommunications Enterprise (ENTEL, *Empresa Nacional de Telecomunicaciones*); the rail company, National Railway Enterprise (ENFE, *Empresa Nacional de Ferrocarriles*); the electric company, National Electricity Enterprise (ENDE, *Empresa Nacional de Electricidad*); the national airline, Bolivian Lloyd Air (LAB, Lloyd *Aereo Boliviano*); and the oil company, Bolivian Fiscal Petroleum Deposits (YPFB, *Yacimientos Petroliferos Fiscales Bolivianos*). In addition, 22 other smaller companies were privatized (Toranzo 2006, 290). In consequence, the economic benefits were significant for the government's coffers. The government had thus enough funds to invest and carry out its ambitious agenda. A significant caveat, however, was going to be, the large social cost in terms of an elevated rate of unemployment.

The second, and most significant achievement of this government was the implementation of the decentralization program in 1994, which sought the acknowledgement and promotion of the concept of popular participation; the recognition of indigenous and civil society organizations as political entities (indigenous peoples, indigenous organizations, *campesino* communities and neighborhood associations); the incorporation of such organizations in the political and economic life of the country; better government administration; perfecting the representative democracy; introducing and promoting the idea of participative democracy; and guaranteeing equality. With this law, the government aimed at, not only reform the state apparatus to make it more efficient, transparent and responsive, but to deepen the process by incentivizing the involvement of citizens in the political process.

Decentralization took place at a very propitious time in Bolivia's history. The most notable precondition was the re-democratization of the country, which began after a long spell of military dictatorships. The return of democracy paved the way for a procedurally and institutionally stable political period, which, in turn, opened opportunities for politicians to begin paying attention to internal issues that had been suppressed over long periods of time. One of those issues was the strong regional sentiment of decentralization of power, from La Paz –the center of power—in favor of other regions, such as Santa Cruz and Tarija, for example. In addition, at the international level, the quiet wave of decentralization was taking place. Moreover, the international community's keenness on promoting and

supporting development through the decentralization of governmental tasks which were seen to be a better approach to local development.

However, in order to better understand the importance of the Bolivian Decentralization program it is necessary to take an extensive and important excursus on its historical as well as political contexts. Bolivia's historical experience with the issue of centralization or decentralization of power has been, in one way or the other, a latent issue in Bolivia's pre- and post-independence history. One reason for this rests on historical regional claims of self-determination, which originate in colonial times. A second reason, which can be placed in the middle of the XX century, emerges from the necessity to modernize the Bolivian administrative apparatus –inspired by the quiet revolution (Campbell 2003) – to achieve economic development.

In colonial times, the different regions created as administrative units, in and around what is today the Bolivian territory, possessed a strong autonomic character due to their remote locations vis-à-vis the centers of power. This autonomic character can arguably be traced to the 1782 reforms of Charles III, which had an opposite effect. These reforms created regional political units denominated *intendencias*[11] to tighten the administrative control of the crown over its American territories. Some of these new regions, due to their remote locations, lay outside of the influence of places such as Lima, Chuquisaca or Buenos Aires. While the latter might have been some times considered an advantage, the disadvantage was that they had to rely on their own capacities to administer themselves. This condition developed into an independent and self-determined way of thinking. This was especially true when it came to survive the independence wars and the resulting collapse of the centers of power. During and soon after the independence wars, many of those *intendencias* briefly sought, or at the very least, discussed independence for themselves. For example, the most famous in Bolivian history are the Chuquisaca region, led by the Padilla[12] group; the Santa Cruz region, led by Ignacio Warnes; and the southern territory of Tarija, led by Eustaquio Mendez. However, geopolitical considerations, among other many factors, drove these

[11] The *Intendencia* was an administrative subdivision of a *Virreinato*. The *Virreinato* of Peru included Peru, Bolivia and parts of northern Argentina. Within that area, the *Intendencia* could comprise of Bolivia.
[12] The Padilla group refers to a group of armed civilians that briefly sought independence for their territory. They were led by the couple Manuel Ascencio Padilla and Juana Azurduy de Padilla.

regions to seek alliances to form nations. For example, and following these autonomic traditions, the *intendencias* of Buenos Aires, Tucuman and Mendoza, created the Federal Republic of Argentina. Similarly, the *intendencia* of Paraguay became the Republic of Paraguay. In what is now the Bolivian territory, several rebel groups sought independence. The *intendencia* of Chuquisaca as well as Santa Cruz and others, in the end, decided to join the newly created Bolivian republic (Mesa 2007; Reyes 2009).

From this, it is clear that from the moment the young Bolivian republic sought to organize itself, the issues of self-determination embodied in the ideas of federalism and administrative decentralization, played a significant role in the creation of the new state. In early Bolivian politics, this translated into two political self-explaining currents, one denominated federalist and another called unitary (Franco 1985). Even though the unitary current managed to dominate the discourse, the federalist current remained under the surface and managed to rise above the surface from time to time throughout history.

The first efforts to introduce some type of local level government with own attributions and responsibilities and the necessary autonomy to manage its own affairs, can be seen in the texts of early constitutions. For example, the Constitution of 1839 introduced municipalities as politico-administrative units in each one of the department capitals. One other example is the efforts of Nataniel Aguirre and Tomás Frias to introduce a federal constitution, which failed in 1871. As a result of these efforts, however, Congress passed a financial law in 1872 in favor of the municipalities giving these government's administrative responsibilities, creating their respective deliberative bodies and assigning them financial resources and the responsibility to provide public services (Franco 1985, 70-73). Subsequently, and as a direct result of the latter, the first Organic Law of Municipalities was issued in 1887[13] (Franco 1985; Arrieta 1988). Another example, of decentralization demands in Santa Cruz came from Andres Ibañez, who, along with other 13 supporters, was executed in May 1877 for his efforts to establish federalist structures in Santa Cruz (Mesa 2007). A second time in 1891, two colonels, Domingo Ardaya and J. Domingo Avila, rebelled against the central government demanding federalism which would benefit the Santa Cruz region. But the most significant example is the so called Federal War of

[13] This law was still in force until 1985.

1898/1899. In this civil war, the political elites in La Paz city were able to move the executive and legislative branches of government from Chuquisaca to La Paz, after they failed to include the issue of federalism in the debate agenda in Congress. This marked the definite power shift from the capital, Chuquisaca, to La Paz, the new administrative capital.

Throughout the XIX century and the first part of the XX century, the political elites sought to consolidate power on the central government. Over the course of the latter century however, the issues of administrative decentralization resurfaced. This was especially true in the regions of Santa Cruz and Tarija. The most clear and earliest example to seek administrative decentralization in this period was the January 11, 1931 national referendum on decentralization. The results of that referendum, which were favorable to the decentralization issue, forced the introduction of the issue in the debate agenda in Congress. After much deliberation, Congress passed the law, but the then president, Daniel Salamanca, vetoed the law. That action, along with other events such as the Chaco War, placed the issue of decentralization in the backlog. During the subsequent 50 years, decentralization had practically disappeared from the political agenda but was not removed from paper. For example, decentralization was mentioned in the 1945 constitutional text. In its article 148, it mentioned that the different communal governments were autonomous and had a deliberative body, from which the head of government was proposed to the executive for his appointment by the president in turn. In the 1967 Constitution, in article 110, the administration of the state was said to be decentralized from the departmental level towards the smallest territorial unit. Article 200 also stipulated the autonomous character of the municipal governments due to the existence of municipal councils or juntas. The prior mechanism of election was used whereby the council members were elected and the mayor was proposed and the executive ratified the latter.

However, it is after the re-democratization of the country in 1982 when decentralization demands reappeared, not only in the demands of the regional governments and regional civic organizations seeking political relevance and more self-determination, particularly in Santa Cruz and Tarija, but also in the agenda of some political elite groups who thought the state should be reformed. Although, the centralist powers in La Paz had succeeded in placating the regional vindication efforts, the need for state reform became apparent. From

the point of view of state reformers, the most apparent reason was the lack of state presence over the Bolivian territory and the consequent concentration of resources in the seat of government, La Paz and the department capitals in each one of the nine departments.

The decentralization process

Towards the second half of the 1980s, there was an intense debate over the administrative decentralization of the government. The frailty, inefficiency and fallibility of the state had become by then the standard arguments to decentralization. At the departmental level, civil organizations had politically strengthened and, seeing the opportunity, sought to advance their decentralization agendas. In addition, at the local level, there was a consensus that the government was inexistent in rural and prominently indigenous areas. Therefore, support for administrative decentralization had increased.

It is thus that in 1985 several proposals to decentralize the government were made explicit. One example can be seen in the proposal MNR Deputy Alfredo Franco introduced into Congress which sought to reorganize the state and decentralize it administratively (Franco 1985). An organization which did significant work bringing the decentralization issue to the debate was the *Comité Civico de Santa Cruz*[14] which organized a series of discussions, debates, and round tables, involving academics, professionals, citizens and officials. In fact, these efforts intensified towards the beginning of the 1990s. Among the most prominent proponents were Ivan Finot, who put forward one proposal in 1990 (Finot 1990) and Carlos Hugo Molina, who, in the end, participated in the government and led the government's actions to introduce the Popular Participation Law in 1994 (Exeni 199; Molina 1994). With the proposal of Molina, the Sanchez de Lozada government saw the opportunity to, on the one side, increase local support (and thereby gain even more national relevance) for the MNR and, on the other side, weaken the opposition. In the end, the decentralization of Bolivia was as much a political calculation as an effort to reform the fragile state and bring about popular participation.

[14] A civil society organization representing the interests of other citizen's groups regarding the department of Santa Cruz.

The Bolivian decentralization process was introduced with the Law of Popular Participation (LPP) No. 1551 on April 20, 1994, initiating thereby a process which was bound to have profound effects on Bolivia's democratic system. As decentralization was introduced, there was serious skepticism from the part of the people. In fact, the general indigenous population referred to the LPP as the "dammed law" (Liendo 2009, 66). Pinedo and Toranzo (1994), based on the results of two surveys conducted in April 1993 and in January 1994, argued that the expectations about the LPP were very low. For example, in the 1993 survey, 47 percent of the respondents said they did not expect any benefit from decentralization or did not know what decentralization was going to bring. For the same question respondents in the 1994 survey showed a marginal improvement of expectations as 31 percent of the people did not expect to gain any benefit form decentralization. While it was a noticeable 16 percentage point improvement in the perception of the decentralization, there was still a perceptible wide-spread animosity towards it. A significant third of the population still demonstrated skepticism for the LPP. Moreover, in both years only 31 percent expected decentralization to contribute to the consolidation of the democratic process, while 67 percent in 1993 and 61 percent in 1994 expected decentralization to contribute to separatism and 32 percent in 1994 expected that the decentralization process would not contribute to an increase in participation.

Nonetheless, over the first decade, decentralization grew to be hailed by proponents, practitioners, policy makers and many scholars as an innovative instrument which revolutionized the way the Bolivian government functioned (Cameron 2010; World Bank Topics 2009; Faguet 2003, 5; O'Neill 2004; Salinas 2000; Thevoz 1999; Blanes 1999a). Early on, Pinedo and Toranzo (1994), suggested that the issue of citizen participation in the country's political life had turned into a right of every citizen and not just an obligation of the State. They also suggested that democracy had been deepened by an increase of indigenous candidates as political representatives. Moreover, they seemed to conclude that, due to the implementation of decentralization or, as the process is known in Bolivia, popular participation, the increase in citizen participation was a success. In the words of many of the architects of the LPP and the population in general, Bolivians cannot imagine now a country without the popular participation process.

The Bolivian decentralization process was not only designed, as many other decentralization attempts in the region, and indeed around the world (see Chapter III and VI), were, as a policy tool to promote a better functioning of the state to, through that, address problems such as economic development, poverty, transparency, etc. Rather, the Bolivian decentralization process had been conceived as a process by which the democratic system acquired depth, improving it qualitatively, by allowing for the creation of political spaces and an increased level of participation of the citizen in government affairs.

The Bolivian decentralization process had the following objectives: a) the acknowledgement and promotion of the concept of popular participation; b) the recognition of indigenous and civil society organizations as political entities (indigenous peoples, indigenous organizations, *campesino* communities and neighborhood associations); c) the incorporation of such organizations in the political and economic life of the country; d) better the quality of life; e) better government administration; f) more just distribution of public resources; g) the perfection of representative democracy; h) strengthen the political and economic instruments to achieve point f by incorporating and promoting citizen participation; i) introducing and promoting the idea of participative democracy; and j) guaranteeing equality (see Law No. 1551). As it is possible to read, the inclusion of the average citizen, specially the citizen with indigenous background, in the planning, decision-making, and controlling processes of their local, intermediate as well as national government levels of policy making was a key feature in the design.

To achieve that, the government implemented a complex system. For example, the areas of competency for local governments were health, education, infrastructure, development and sports and culture. In this regard, the government transferred the ownership of hospitals, clinics, sanitary posts, schools, sport venues, roads, irrigation systems, libraries, museums, culture houses, with the exception of those under the care and the administration of the central government and the universities (MSCRPP 2005a). In addition, the competencies given to local governments can be summarized as follows: administer, control and norm the use, maintenance, equipment and improvement of the government's property, provide all necessary equipment and administer its use, control and supervise the performance as well as propose removal or appointment of all pertinent officials in all relevant areas, relay and

carry out the observations of the Vigilance Committees (CV, *Comite de Vigilancia*) and Territorial Base Organizations (OTB, *Organización Territorial de Base)*, administer the urban and rural cadaster system, administer the taxpayer register, conserve and restore all cultural heritage and promote cultural activities, promote and support sport activities, promote rural development making use of own technology and others in the areas of irrigation and roads, invest and construct new infrastructure in all pertinent areas, contribute to the maintenance of all secondary and neighborhood roads, receive and respond all petitions coming from the CV and the OTBs, promote gender equality, protect children and provide school meals (MSCRPP 2005a). However, the central government did not transfer power evenly. The decentralization in Bolivia was designed to implement a combination of deconcentration, delegation and devolution to transfer the responsibility of the provision and administration of public goods and services from the national to the local governments.

Deconcentration and delegation were mainly used in the areas of education, health, gender equality, culture and sports. That is, while the central government set national policies for education, the municipal government had the ability to administer, control, maintain, repair, supply, evaluate, and finance the various bodies, entities and infrastructure in the community. Devolution was applied to the administration and decision making in financial areas and local public investment as well as social control. The planning and evaluation of investment projects was strongly in the hands of the local government and civil society. The administrative decentralization transferred the administration of government affairs to the departmental and municipal levels. In particular, the prefecture or departmental level of government was seen as the liaison between the central government and the municipal government and as such was delegated administrative tasks from the central government, especially in the areas of economic development. The municipal level, however, enjoyed quasi-autonomous attributions based on its ability to plan, administer and distribute its own funds which were directly transferred from the central government. The political decentralization transferred decision-making authority to the municipal level of government. The financial decentralization automatically and directly transferred financial resources from the national level to the local level. The criteria by which the central government redistributed financial funds to the municipal governments (called co-participation) provided for the automatic and direct transfer of the state's 20 percent total

revenue in favor of the municipal government and five percent in favor of the state universities. Finally, the Bolivian decentralization program was designed to be gradually implemented as the process progressed. The initial effect on the decentralization of the country with the passing of the LPP initiated the process now called, municipalization and popular participation. The process has been built over the decade following 1994 with a number of important laws.

Moreover, the decentralization program in Bolivia decentralized the country in three levels of government: the national or central level of government, the departmental or intermediate level of government and the municipal or local level of government. The program however, places particular emphasis on the local level of government. In fact, it makes this level the principal object in the program. Due to the emphasis on participation, the national and departmental levels would be geared towards the support of the local government's objectives. Nevertheless, the national level retains its prerogative to make national policy, such as health or education policy. The municipal government is obliged to follow such policy when formulating its own health or education policies. That is the case in the other areas of competency.

According to Carlos Hugo Molina (Interview No. 14), coordinator of the group of technocrats who designed the popular participation law as well as first Secretary of the Vice ministry of Popular Participation during the first Sanchez de Lozada government, the passing of the LPP was result of the accumulation of a series of key events that happened since the reintroduction of democracy in Bolivia. He recalled that there were several developments that led to the formulation of the LPP. First, in August 5 and 6, 1982, the *Comité Civico de Santa Cruz*, after having organized an extraordinary meeting, put forward two proposals: the return to a democratically led government on the basis of the already elected 1980 Congress, which had been closed by the Garcia Mesa regime and the application of an administrative decentralization of the state to the departmental level. A second event was the passing of a *Ley Orgánica de Municipalidades* (Organic Municipal Law) in 1985, which transferred some competencies to local governments. A third event was the passing of the Law of Administration and Government Control (SAFCO, *Ley de Administración y Control Gubernamental*) in 1992, which created and regulated public

administration systems in the areas of planning, public investment, operations and budget and mandated its application to all decentralized levels of government. This development in the direction of decentralizing the government was followed by a wave of proposals for decentralization legislation. The proposals ranged from federalist systems to milder forms of decentralization, such as deconcentration and regionalization. Molina counted around 22 proposals until the passing of the LPP in 1994.

According to Molina, the majority of those proposals were not realistic, because they presupposed a constitutional amendment to accommodate the changes in the departmental government, which was by any means realistic at the time. Instead, he formulated, as an academic exercise, a proposal for decentralization which focused on a unit of government that had already been defined, even in the constitution: the municipal government. He recalls, in the interview, that he had become involved in this process for academic reasons. However, once his work came to the attention of, the then still presidential candidate Sanchez de Lozada, it took a practical turn. After Sanchez de Lozada was elected president in 1993, Molina was asked, by the new president, first, to work on a proposal for a law, and second, to coordinate the design, formulation and implementation of the LPP. Molina says that he created a working group of 18 professionals, all experts in their respective topics, e.g. public investment, participation, municipal districting, etc. This group then designed the LPP gathering ideas from decentralization experiences around the region. The experiences that were looked at were Colombia, Brazil, and Chile.

Since the introduction of the decentralization process, the Sanchez de Lozada government was the one government that worked more closely to the decentralization principles. After all, it was this government's project. The subsequent government, that of Hugo Banzer, was less enthusiastic and, at time, even disinterested in continuing the process. After having reached the presidency on August 6, 1997, Hugo Banzer Suarez (1997 to 2001) concentrated less on the deepening of the Popular Participation process. The Banzer government built a coalition government much like its predecessors, but not as strong. It too enjoyed a majority in Congress, yet the coalition was shaky because it included a mix of heterogeneous political views, i.e. ADN, New Republican Force (NFR, *Nueva Fuerza Republicana*), Christian Democratic Party (PDC, *Partido Democrata Cristiano*), Left

Revolutionary Front (FRI, *Frente Revolucionario de Izquierda*), MIR, UCS, and CONDEPA. The government's efforts were overshadowed by problems with drug trafficking and the related coca leaf eradication plans the government was committed to carry out in coordination with the US government. The Banzer presidency came to an abrupt end due to the president falling terminally ill. Banzer was forced to resign from office, leaving the post open for his Vice president. The transmission of power was orderly and according to constitutionally set procedures. It was thus that Jorge Quiroga was designated president on August 7, 2001. Quiroga finished Banzer's presidential period (2001 to 2002) as the Constitution mandated.

2.4 Deep political and social crisis

Gonzalo Sanchez de Lozada began his second presidential term on August 6, 2002 with a strong government coalition, which included the MIR, ADN and UCS. Initially, the government enjoyed a relatively comfortable majority in Congress, but its strength increased to a 2/3 control of Congress after NFR joined the government on August 2003. Sanchez de Lozada found the country in a different situation than in his first term as president. The country was facing adverse economic conditions, social unrest and political change. At the same time, the 2002 elections showed that the long standing dominance of the traditional political parties such as MNR, MIR and ADN seemed to have come to an end. The unexpected success of parties such as the Movement Towards Docialism (MAS, *Movimiento al Socialismo*)[15], led by Evo Morales, and of NFR, led by Manfred Reyes Villa, took many politicians by surprise.

Two factors proved most damaging for Sanchez's second term. The most immediate economic problems manifested themselves as a large budget deficit, which combined with large unemployment was an explosive combination. In order to address its priorities, the government sought to raise revenue through taxation (income tax and property tax, primarily) and the freezing of wages in the public sector. At the same time, it reduced government spending as well as continued with an ambitious privatization plan. Needless to

[15] In the general elections of 2002, the MAS received 20 per cent of the vote, while MNR received 22 per cent and NFR received 20 per cent (CNE, 2007).

say, the government's efforts to cut spending and raise revenue in the context of large unemployment and adverse economic conditions were very risky. In February 2003, the government suffered the first of a series of significant defeats on the streets. Out of growing frustration from a proposed reform of the National Police Force, which among other things, transferred many important functions to the Military, police security forces staged a protest in front of the government building. The police officers justified this protest by demanding a pay raise and rejecting the income tax plans of the government. Many officers of the Special Security Forces unit, dressed in civilian clothes, protested in front of the government palace along with a group of students. The demonstration ended with the death of 17 people who were caught in the crossfire between demonstrators and the Military Police, which was called in to provide security for the government building (Rocabado 2006). Most damaging for the government were the reported images by the media of military and police snipers aiming and shooting at the crowds (OAS 2003).

However, the second factor was much more problematic. The central government had a long-standing conflict with the Coca Growers Union from *El Chapare* region[16] who were against the government's efforts to control the production of coca leaves. The Sanchez de Lozada government began confronting this problem by seeking some type of understanding in the coca eradication conflict. However, an understanding was not possible. Instead, the conflict escalated to the point where various observers seriously questioned the continuity of the Bolivian democratic process. During the course of September 2003, the government saw itself cornered by a wave of social protests. These protests were both, a reaction to several government's decisions and actions and were also triggered by social demands. For example, on September 16, the Hydrocarbons Vice-minister, Mario Requena, said that Bolivia was going to export Bolivian natural gas through a Chilean port (Bolpress 2003). This was a controversial point because of the historic diplomatic differences between Chile and Bolivia. On September 20, the government rescued a group of 75 tourists who had been held hostage by protesters in the town of Sorata. The operation backfired and resulted in the death of seven protesters (Rocabado 2006, 211-214). On October 2, the Santa Cruz region, perceiving the weakness of the government, called its supporters to demand a new state

[16] *El Chapare* is a rural province located in the northern part of the Cochabamba department in central Bolivia. The inhabitants of this region have engaged in coca leaf cultivation since the 1980s and, as a result, the region has been a major source of illegal coca leaf for the production of cocaine.

with regional autonomy. On October 12, in what later was going to be known as the Gas War, the government repressed a large demonstration in the city of El Alto (a few kilometers north of La Paz). This time there were 26 deaths reported as a result of police repression (La Razón 2003). Even though the demands were as diverse as the groups themselves, four demands were uniform across the board: A Constituent Assembly, a repeal of the income tax plan, no export of natural gas through a Chilean port and the resignation of President Sanchez de Lozada.

In October, the government's crisis reached its limits. Vice President Carlos Mesa publicly broke with the government and called on Congress to intervene. The coalition partners, MIR and NFR, remained supportive of the government, alleging the opposition in Congress wanted to take over power through the streets. On October 17, the situation became critical when several unit commanders around the nation expressed their disagreement with the President. Soon thereafter, an NFR faction in Cochabamba, the UCS, together with the MAS, the COB and a human rights organization, called for Sanchez de Lozada to resign. On the evening of the 17, the government's coalition partners, NFR and MIR announced the withdrawal of support for the government. Gonzalo Sanchez de Lozada found himself besieged by the protests and left without the support of his political allies in Congress and in government. He signed his resignation, sent it to Congress and left the country. Congress then met and appointed Carlos Mesa in accordance to the line of succession.

Carlos Mesa, who was in office from October 17, 2003 to June 9, 2005, declared himself independent in an effort to distance himself from the traditional political parties in Congress[17]. In the first months of his presidency, Mesa had no political support in Congress, but his popularity ratings were above 80 percent (EIUa 2004). The largest opposition party, the MNR, was united against Mesa's attempts at dismantling what it had built in the prior presidency. Nevertheless, it was internally divided in two groups. One group thought Mesa had betrayed Sanchez de Lozada and therefore pledged hard and open opposition to the new president. The other group was not supportive of Sanchez de Lozada and was advocating a change in the party leadership. The other two parties, MIR and NFR,

[17] The events leading up to the breakdown of Sanchez de Lozada's presidency left the traditional parties (MNR, MIR and ADN) as well as any other party associated with that government (NFR) with a negative image among the population.

stayed in the coalition and continued to pledge half-hearted support for the new government.

Carlos Mesa's government began with a loaded agenda, including the consideration of a Constitutional Assembly to reform the constitution, the revision of the law regulating the contracts with the companies exploiting the natural gas resources, and the organization of a referendum to decide over the natural gas export issue. In light of Mesa's largely uncommitted image the different political forces in Congress were only willing to support the president on non-controversial issues. For example, on December 18, in an attempt to make his independence clear, Mesa forced Congress to appoint Waldo Albarracin as Ombudsman[18]. On February 20, 2004, Congress approved a set of 15 popular constitutional amendments related to increase popular participation and enhance direct democracy. However, the government was not able to pass necessary economic initiatives such as tax reforms and the elimination of fuel subsidies. In March, 2004, a miner blew himself up in the lobby of Congress for his right to pension (EIUb 2004). This event was emblematic of the government's image as a lame duck and of Congress' inability to carry out the people's business. In late March a wave of protests hit the country. Miners, pensioners, teachers, health workers, transport workers and university students staged mass strikes, debilitating the government even more.

In April 2004, alleging the newly passed constitutional reforms allowed him to bypass Congress, Mesa set the date (July 18) to carry out a referendum, asking Bolivians to accept or reject the nationalization of the natural gas resources, the reactivation of the national energy company and the formulation of a new hydrocarbons energy law, via presidential decree. In this manner, once again, the President placed pressure on Congress for taking too much time to write that law. The opposition in Congress reacted by saying the referendum did not go far enough. The NFR, together with MAS, rose as the main opposition force asking for a full nationalization of the hydrocarbons-exploiting companies. This meant that Mesa was going to face difficulties passing the legislation emerging from the referendum. By the end of 2004, Mesa began an attempt to form a voting block in Congress. The most

[18] The MNR was the force opposing this appointment because they feared Albarracin was going to start the investigation against Sanchez de Lozada for the deaths in October 2003, which MAS was still attempting to start.

prominent members of this block were six, now dissident, Senators from MAS. It was reported that this block had around one quarter of the votes among 157 seats in both chambers (EIU 2005). In December 2004 the President eliminated fuel subsidies and with it provoked immediate reaction from civil society. On the back of protests against the imminent rise in fuel prices, the citizens of El Alto protested to force the nationalization of the city's water services company. In January 2005 Mesa rescinded the contract with the French/Swiss Company and accepted to maintain fuel subsidies. Surrounded by protests and the unwillingness in Congress to cooperate, Mesa submitted his resignation to Congress on March 6 and again on March 15. Congress promptly rejected the first time because of the popular support he still enjoyed. However, legislators accepted Mesa's proposal the second time. Congress was then to apply the line of succession once again and appoint either the President of the Senate, Hormando Vaca, or the President of the lower chamber, Mario Cossio. Due to the impossibility to hold a session in Congress because of the massive protests against this decision, lawmakers decided to move the session to Sucre. As a result, different civil society organizations and supporters of MAS surrounded the building where Congress was meeting and forced lawmakers to skip the first two names and appoint the last possibility, the President of the Supreme Court, Eduardo Rodriguez. Congress did so and Rodriguez was sworn into office on June 9, 2005.

The December 2005 general elections were carried out and a new president was elected. Evo Morales, an indigenous leader of the powerful coca growers union and undisputed leader of the political party, Movement Toward Socialism, was elected president in the first round with a historical majority vote (54 percent of the votes). This meant that this was the first time in Bolivia's history that a president was elected directly by the people and not by a coalition negotiated in Congress. It was also the first time that an indigenous politician, representing the diverse social movements, was elected to office. Morales' coming to office marks a turning point in Bolivian politics, where the political elite have been almost completely replaced by representatives of the social movements and the subsequent emphasis on ethnic and indigenous issues has been the new agenda brought in by the new government.

2.5 Summary

The issue of decentralization has not been a product of recent development in Bolivia. As shown by the historical context, the issue has practically been a permanent worry since the country's founding. However, it was due to the re-democratization experience beginning in the early 1980s that decentralization has been an issue involving more than just historical territorial demands of the regions. The implementation of the decentralization process in Bolivia since the country re-entered the democratic path has been intimately coupled with the development, strengthening and deepening of the democratic process, in addition to the historical issues.

One important observation made in this chapter has been the failure of the Bolivian government to bring stability to its democratic system. This, in spite of the efforts to deepen or consolidate the democratic process through the implementation of a Popular Participation process aimed at such outcome. The chapter shows that the Bolivian democracy, within the period under consideration, has been far from stable. In fact, it shows that it has been rather volatile.

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Chapter III

Literature Review

and

Theoretical Framework

3.1 Introduction

The main purpose of this dissertation is to study the effects decentralization has had on the Bolivian democratic deepening process. In specific terms, it seeks to investigate and analyze this relationship through the formulation of the following specific questions, which at the same time, aim to guide this study: If decentralization was implemented to deepen the rather stable Bolivian democracy, why has the country gone through such a deep political and social crisis? While it is logical to think that decentralization has effects on the democratic process, i.e. deepening the democracy, what is the nature of those effects? How does decentralization affect the democratic process?

This chapter, first, presents a review of the relevant literature on the subject at hand. Since this research topic has been insufficiently explored, there has been very little written on the subject, i.e. the effects of decentralization on the democratic process (Del Campo 2007; Selee 2004). For that reason, the focus is on two separate yet closely related bodies of literature. The chapter begins with a historical overview of decentralization and its conceptual evolution. Next, the debate on the decentralization of the state and how this policy could bring positive effects on the system of government of a country is reviewed. In addition, the chapter considers the debate about the deepening of democracy, which is about how to augment the development of the democratic system of government to, and in the end, achieve a level of democratic stability or consolidation through citizen participation. Secondly, the chapter, and in order to provide analytic clarity and a basis for the discussion, develops working definitions of the two most important concepts: decentralization and the deepening of democracy. In particular, it seeks to contribute to the conceptualization of decentralization as a dynamic multi-dimensional, multi-level process. In the following pages, and based on the prior work and experience on decentralization, this chapter concurs with other scholars that decentralization is best viewed as a dynamic multi-dimensional and multi-level process. It is argued that by conceptualizing decentralization as a process, it would be possible to account for more substantive factors, going beyond the institutional arrangements and the actors involved in both processes.

Thirdly, the chapter seeks to shed light on the common threads the two debates share and also on their deficiencies. The common threads are the most important factors affecting the depth and development of the democratic process: the institutions, the participation of citizens and the deepening of the democratic process. At the same time, however, the chapter also reveals a theoretical lacuna that emerged from the lack of dialogue between the two debates in consideration. Both bodies of literature have been the result of different approaches to and considerations about a common problem, namely the development of the democratic process and how this process can be consolidated. For the most part, both bodies of literature have kept the focus of analysis on institutions and actors. That is, while the decentralization debate has moved from a discussion based on the classical work of Rondinelli, who has defined decentralization as a prescription policy in terms of government reform and the development of a nation (Rondinelli et al. 1983), to a discussion

considering questions about the government system, local governance and local democracy, it has focused largely on the institutions and the actors within decentralization. The result has been that the debate has neglected other relevant substantive issues such as citizenship, which are the qualitative characteristics of the individuals or actors that are part of the system. In the same manner, the debate over the deepening of the democratic process has concentrated on the actors and the institutions where these actors play their roles, neglecting as well other important substantive issues, once again, such as who participates, i.e. citizens as a qualitative description of an individual.

Finally, the chapter presents the conceptual framework of this dissertation, putting forward the argument that decentralization has shaped the deepening of democracy through the reform and creation of institutions or institutional arrangements, the increase of citizen political participation and the expansion and/or creation of citizenship. The majority of academics taking part in these debates have placed large, and to my understanding disproportionate, emphasis on the role institutions, and, to a lesser degree, on actors who played a role in the processes of decentralization and democratic deepening. While the study of such factors might be necessary to better understand the relationship in question, this leaves other significant questions on the different substantive issues surrounding the democratic deepening process with participation of citizens and the creation or expansion of citizenship. Out of this, significant questions arise, questions such as: who participates? What kind of citizenship are we talking about? Which rights are we talking about? Do citizens exercise those rights?

3.2 The decentralization process and democracy

To venture into providing a definition of decentralization means to, first, place the concept in a historical contextual framework. While the idea of decentralization of the state has its roots in the antique, in the interest of brevity and clarity, this chapter concentrates on the evolution of the concept within the last half century. According to the literature, there are two main periods to distinguish in this evolution. The first period, which encompasses the last part of the 1950s, the 1960s, and 1970s, focused on the deconcentration of governmental structures and bureaucracies and was strongly connected with the idea of

economic development and modernization of the state. The second period began in the 1980s and is an ongoing process. The debate within this period, sought to broaden the scope of the concept to include more democratic issues, such as political power sharing, local democracy, local governance and the deepening of the democratic process (Cheema and Rondinelli 2007, 2-3). This evolution reflects, not only, the deep reflection scholars have carried out about decentralization, but also the experiences of many societies around the world which engaged in such reforms in order to achieve particular goals. The evolution, and the various definitions of decentralization, also reflects the often contradictory results of those experiences and the, almost always, complex and dynamic realities in which those decentralization policies were implemented.

3.2.1 Decentralization as a policy instrument

The importance of considering the intricacies of local governments in a centralized system of government is not new. When it comes to decentralization, many scholars go as far back as the Greek republics and the Roman Empire[19] to remind us that these two ancient civilizations dealt with some decentralization features in their forms of local government administration. In that manner, for example, we are reminded of Cicero, Plutarch and, most of all, Aristotle, who discussed the importance of the local level of government and the participation of people (Treisman 2007, 6). These ancient scholars' brief, yet relevant, discussions on the levels of government in a state and the duties of local governors marked the bare beginnings of the discussion over subnational levels of government, albeit not directly (Treisman 2007, 6-8). Other scholars initiated much later in the XVII and XVIII centuries a related debate about federalism. One influential example of this debate is Hobbes' top-down approach, where local governments were merely agents of the central government. Another important example is the work of Montesquieu, who argued for a bottom-up approach, where local units would build a larger entity, i.e. the idea of the confederation. But, the most influential of all has been the federalist approach, which was

[19] Some scholars see the Roman Empire as a centralist entity with decentralized local governments. See for example Finot 2001.

discussed by Harrington, Milton, Hugo, Leibniz and the federalists[20] themselves (Treisman 2007, 9-10). Still, others point to Alexis de Tocqueville's visit to America in the early XIX century and his classical observations about that country's democratic system. He particularly paid attention to the local dynamics of government and highlighted its relative importance. He concluded that democracy in America started in the commune, because it was there that the "individual possessed equal share of power and participated alike in the government of the state." Likewise, he recognized that that individual "acknowledged the utility of an association with his fellow-men and that he knew that no such association can exist without a regulating force" (De Tocqueville 1835, 79).

However, it was not until the manifestations of the crisis of the centralist state that the debate over decentralization really took form and relevance. This crisis approximately began in the 1950s and continued on to the 1970s and in some regions such as Latin America extended into the 1980s. The centralist state, which had taken hold especially in the developing world, had proved itself inadequate in dealing with sustainable economic growth, job creation, industrialization, the eradication of poverty and under-development, among other relevant problems (Rondinelli 1980). The classical example in the literature to illustrate this crisis is the debt crisis that affected the Latin American region in the last half of the 1970s and through the 1980s. This crisis affected heavy-weight countries such as Mexico, Brazil and Argentina as well as more modest countries such as Bolivia, Venezuela, Ecuador and Peru, to name a few. In the case of Bolivia, for example, the deep economic crisis led the government to declare a moratorium on all its foreign debt and to apply one of the, now, most controversial policy moves to stop the process of hyperinflation that had set in in the Bolivian economy. The controversial policy was the application of what came to be known as "shock therapy", which mainly consisted of the rapid liberalization of the economy in order to stop the rise in prices. While those policies immediately gave credit to the country's government in the international arena, where it could access more needed financing, it also deeply, and over the long run, discredited it in the eyes of Bolivians, because it led to massive unemployment and a general deterioration of the standard of living.

[20] The term "the federalists" generally makes reference to the statesmen and public figures that supported the ratification of the proposed United States Constitution between 1787 and 1789. The most prominent among them are the authors of The Federalist Papers, Alexander Hamilton, James Madison and John Jay.

The result of the above mentioned crisis of the state and its economic consequences was the emergence of two central ideas: the rise of the Neoliberal paradigm of development and the necessity of state reform. Neoliberalism sought to devolve to the free market the redistribution of resources function (a function that the state was fulfilling until then) and to promote the trimming of the state. The second idea argued in favor of the reform of the state, which was about the redefinition of its role and its shape. The state was seen as having an 'enabling' role to facilitate change at the political, economic, and community levels (Canel 2001, 2). Within the framework of the first idea, the second played a pivotal role in the adoption of decentralization around the world. On the one side, it helped that the philosophical roots of decentralization were anchored on liberalism (Krause 2001). On the other side, and for the most part, it was argued that decentralization was a useful and promising policy tool and that it offered the much needed guidelines for the reform of the state. Already in the 1960s decentralization was seen as "especially important" variable for a better provision of public services through the local governments (Reis Vieira 1967, 5).

The work of the World Bank better illustrates the weight of the idea of decentralization around the globe. Beginning in the 1960s, international organizations[21] began considering, and later promoting, decentralization efforts to strengthen local governments and local democracy. The Bank actively provided lending and non-lending support to Nepal and Tanzania, which received help on social service delivery (WBIEG 2008, 3-5). The Bank, in particular, embarked in the 1970s on a series of projects supporting the decentralization of administrative and financial tasks for economic development in countries such as Indonesia, Morocco, Pakistan, China, Sri Lanka, Philippines, Thailand and Tunisia (Rondinelli et al.. 1983, 11). In more recent times, decentralization efforts are currently being carried out in Africa, Asia-Pacific, Eurasia, Europe, the Middle East, Western Asia, North America and Latin America. Decentralization in the African region has been slow in implementation— with the exception of some countries, most notably in South Africa— and heavily influenced by its colonial past. Though certain tendencies towards an increased acceptance of decentralization as a political tool to improve democracy are discernible—

[21] Other organizations such as the United Nations, the Inter-American Development Bank, and supra national entities such as Europe also worked with the same goals.

for example the election of local authorities (UCLG 2008, 43)—, much work remains to be done. The experience of the Asia-Pacific region with decentralization has been very diverse on the back of marked differences in population, per capita income, historical experience and political systems. The verdict is still out in this region. The decentralization experience in the Eurasian region is one that has a well established legal framework of local self-government but it lacks the practical implementation. In contrast, Europe and North America are highly decentralized and the idea of local self-government has become the general rule. In the European region, some heterogeneity in experiences is due to the inclusion of countries non members of the European Union, while the institutionalization of local governance is worth noticing in North America. In the Middle East and Western Asia, however, decentralization is moving at a slow pace, with the notable exception of Turkey (UCLG 2008)[22].

However, before moving on with the definition of decentralization it is important to highlight that, whilst the liberal approach to decentralization has become the dominant discourse on the debate, within a much broader developmental approach, there are important differences to take into account within the literature. In the present day, researchers agree that decentralization is a contested concept and that the understandings of scholars are varied and diffuse. In the most recent discussion, Goldfrank (2011, 15) and also Coraggio (1991, 155) exemplified this by citing different conceptualizations that stem from different ideological points of view. That is, for example, the latter mentioned Hernando de Soto, representing what he calls the "new Latin American Right" and Jordi Borja, who is supposed to represent the "new post-Marxist Left". A decade before, Canel (2001, 2) also recognized this divide and called it simply left and right projects of development. In similar manner, Goldfrank (2011, 15) also pointed out differences in schools of thought mentioning the development school of thought, represented by Rondinelli, McCullough and Campbell, on the one side, and the Latin American urbanists, represented by Coraggio and Felicissimo[23], on the other.

[22] For a comprehensive review of decentralization efforts around the world see UCLG 2008.

[23] I include in this note the works of the authors cited by Goldfrank but not included in my bibliography: Dennis Rondinelli, James S. McCullough and Ronald W. Johnson. 1989. "Analyzing Decentralization Policies in Developing Countries: A Political-Economy Framwork." *Development and Change*, 20 (I): 57-87 and José R. Felicissimo. 1994. "A decentralização do estado frente às novas práticas e formas de ação colectiva." *São Paulo em Perspectiva*, 8 (2): 45-52.

As mentioned above, within this ideologically divided debate, the understandings of decentralization were differentiated in two approaches corresponding to the left-right spectrum. The conservative or right side of the debate, also identified with what was generally described in the literature as the top-down approach or the pull factor (Weidner 2000, 55), saw decentralization as a policy instrument. This instrument was designed and implemented by the government in top-down logic from the central government down to the local level. Decentralization was one component of state modernization seeking to improve the efficiency of the productive and redistributive functions of the state by transferring responsibilities to the civil society and the markets. The role of the state became an "enabling" role to facilitate change at the political, economic, and community levels to foster free-market capitalism and market-citizen participation. Also, it proposed a radical restructuring of the state-civil society relationship. Finally, it proposed that decentralization and privatization had a symbiotic relationship (Canel 2001, 2). Decentralization was a part of a broader project to foster free-market capitalism.

The opponent view or left approach, also denominated bottom-up approach or push factor (Weidner 2000, 55) –due to the direction from which the demands for decentralization came from—proposed decentralization within a framework of democratic citizenship and social redistribution. Decentralization of municipal structures could help reverse citizen indifference, improve efficiency in public administration and strengthen civil society. While municipal governments should be concerned with offering services efficiently, they should be equally concerned with expanding the rights of citizens, because choices about municipal expenditure and service delivery were ultimately political choices about the distribution of resources (Canel 2001, 3).

Considering the above left-right discussion from a different and more current perspective, Goldfrank (2011, 17-19) spoke of the pragmatic and radical approaches, which agree on the positive linkage between decentralization and participation, but disagree on everything else. He placed Rondinelli and his colleagues on the pragmatic side, along with most international development agencies. He argued, that based on the subsidiarity principle, these proponents advance decentralization because it made the state more efficient and it

promoted more citizen participation, resulting in democratic stability. In this regard, participation meant that citizens go out and vote, provide information for experts so they can improve policy, denounce corruption and inefficiency, donate funds, materials or labor, or as entrepreneurs start commercial ventures or volunteer in non-profit organizations. On the other side, Goldfrank labeled radicals those advocates of decentralization who criticized the neoliberal roots of decentralization. He noted, these proponents argued this kind of decentralization takes away the state's responsibilities to provide public services through privatization and highlights that decentralization should be implemented at the local level, where the national and local levels of government would play a more significant role. Furthermore, for this side of the debate, participation should be important but the state should not relinquish its control of the state.

Variations have also been reflected across the language-divide debates. For example, in the German-speaking debate about understandings of decentralization the weight was placed on the subsidiarity principle, while fully embracing the international cooperation and developmental approach. Simon (2000, 9-12) accentuated this point. He argued the subsidiarity principle[24] was a necessary component of decentralization. He saw subsidiarity as the interaction of three dimensions in the area of institutional choice. The components were decentralization, which was divided into national, regional and local levels; sectors, which referred to public, private and communal sectors; and the functional dimension, which focused on resources, tasks and legitimacy. Only the close interaction of these three dimensions, i.e. the functioning of all sectors in all levels, would deliver the benefits that decentralization proponents expected. In similar terms, based on the same principle, albeit using slightly different nomenclature, Weidner (2000, 54-56) differentiated decentralization into political, administrative, market and space decentralization. With political decentralization he meant the transfer of decision-making to civil society and local governments as well as the democratization process. The administrative aspect addressed the distribution of power and tasks to sub-national levels of government. Finally, market decentralization referred to public services and privatization of these services or the integration of non-governmental organizations in the process and the space component

[24] Simon (2000, 10) defined subsidiarity as "… larger and higher-levelled entities should not take away the tasks smaller and sub-ordinated entities can perform by themselves, instead they should support them."

would address the regional integration into the planning system. Lastly, Nolte (2000, 83), partly based on the literature, differentiated among a neoliberal, a technocrat, a technocrat-planning, a participative and a developmental approach to decentralization. The technocrat approach addressed the rationalization of the administration to optimize and measure the quality of public services. The technocrat-planning approach constituted the decentralization of planning in accordance to the subsidiarity principle. The participative approach placed the focus of attention to the integration of local levels of administration or government in the development planning process.

Finally, cited here are two of the most relevant works on the decentralization literature as additional examples to illustrate the dominance of the developmental school of thought. Montero and Samuels (2004) showed the importance of institutions in the way they defined decentralization. Taking upon Rondinelli's classification, they conceptualized political decentralization as referring to direct elections at local levels and that; as a result, it would gain importance for politicians and citizens. Fiscal decentralization would include revenue and expenditure decentralization and the degree to which subnational governments could control these. Finally, the authors spoke of policy decentralization, which in this study is defined as administrative decentralization, referring to the ability of local levels of government to formulate policy. Furthermore, they argued that political, social and economic legacies with path-dependent consequences have probably shaped the implementation of decentralization in the region and that probably the political-institutional or electoralist approach is most relevant. It says that political elites at the national or subnational levels have electoral incentives to decentralize. Those incentives are the relative importance of national or subnational elections, politician's dependence on national or subnational government resources and relative importance of national or subnational power brokers, i.e. main candidates.

Similarly, Bardhan and Mookherjee (2006, 12-14) made an analysis of decentralization, its implementation and its outcomes. They based their understanding of decentralization on the common denominator definition of administrative, political and financial decentralization, where the political-economy aspect is most relevant. First, they stressed that context matters. In their view, the impact of decentralization will depend on the context of where it

is implemented –particularly political traditions pertaining to the functioning of local democracy—and the way it was designed and implemented. Second, they highlighted the design of decentralization policies as being of utmost importance. They placed particular attention on the range of expenditure and management responsibilities devolved the shape of the financial devolution, and the kind of authority and competence of local officials. Also relevant were the kind of constitutional authority with which the process was implemented, the electoral process and who benefited from it and the access to information and oversight mechanisms. Lastly, they placed overreaching emphasis on the financial decentralization aspect.

From the discussion above it is possible to conclude that the majority of the approaches to decentralization have been influenced by the developmental school of thought as well as the work of Rondinelli and his colleagues. The typology developed placing emphasis on the institutional arrangements, following a top-down approach, were this approach's strongest characteristics. Above all, however, scholars made generous use of this typology. The classical point of departure has been the formal definition of decentralization that was proposed by Rondinelli in the first part of the 1980s. Departing from within the developmental studies field, Rondinelli (1983, 135) defined decentralization as "the transfer of responsibility for planning, management and resource raising, from the central government and its agencies to: a) field units of central government ministries or agencies; b) subordinate units or levels of government; c) semiautonomous public authorities or corporations; d) area-wide, regional or functional authorities; e) non-governmental private or voluntary organizations." In addition, since he was talking about a policy instrument, he proposed that decentralization had to have desirable objectives, in order to be implemented. For Rondinelli, decentralization was a means to overcome, what he called, the "severe limitations" of centrally controlled planning. With that he meant the enormous amounts of red-tape, the distance from and little knowledge of local conditions of government officials and the resulting insensitivity of those officials towards local needs.

Moreover, he argued that a disaggregated and tailored planning was more fitting to the needs of heterogeneous regions within a country. Decentralization would allow greater penetration of national policies into remote areas, greater representation in development

decision-making, and it would allow for the development of greater administrative capability in local governments, as well as would relieve top management officials of routine tasks so they could concentrate on planning and supervision, it would provide for the institutionalization of citizen participation, act as a source for innovation in administration, allow more efficient identification of localized services and their monitoring, and induce political stability and national unity. Lastly, he proposed a typology to help the conceptual clarification of the term. He argued that decentralization could come in the form of deconcentration, which was just the shifting of workload from the center to local offices, without decision-making authority. A second form would be delegation, which transferred the authority to make decisions and manage specific functions delineated by the central government. A third form was devolution, which meant the creation of independent levels and units of government, with full authority to make decisions.

In subsequent work, Rondinelli and other colleagues developed further this definition. They added a typology of decentralization: 1) Political decentralization aims to transfer authority in public decision-making to local and regional authorities. It can also support democratization by giving citizens, or their representatives, more influence in the formulation and implementation of policies. Advocates of political decentralization assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national political authorities. 2) Administrative decentralization seeks to redistribute authority, responsibility and financial resources for providing public services among different levels of government. It is the transfer of responsibility for the planning, financing and management of certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities. 3) Fiscal decentralization can take many forms, including self-financing or expansion of local revenues through property or sales taxes, for example; intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments for general or specific uses; or co-financing, with the intervention of the central government and an international donor entity (World Bank Topics 2005).

In short, decentralization was seen as a way to modernize the state. It was conceived of as a tool to improve its efficiency and its productive and redistributive functions by transferring responsibilities to subnational governments, civil society and the markets. Governments could achieve efficiency in the delivery of public services such as health, education and public works, not only by decentralizing decision-making to the local level but also by transferring authority and funds to complement decision-making. Moreover, a related and desirable effect would be to bring the government closer to the people and increase participation, which, at the same time, could improve the citizen's participation in the free market. Decentralization was then seen as part of a broader project to foster free-market capitalism (Canel 2001; Rondinelli 1984; Bade 1998; Finot 2001; Faguet 2006).

This first approach to decentralization concentrated on the instrumental nature of decentralization. It was a government policy tool designed to achieve certain objectives, namely the development of a nation, through making the state more efficient, transparent and responsive and inducing more democracy by bringing democracy closer to the people and giving incentives for citizens to participate more. In this effort, the role of government, civil society organizations and the private sector were paramount and as such played a central role. Granted the deepening of democracy was a desired objective, substantive issues, such as citizenship, were hardly taken into consideration. It was necessary for decentralization to be conceptualized as a multi-dimensional process for such issues to be included into the analysis.

3.2.2 Decentralization as a multi-level and multi-dimensional process

According to Tim Campbell (2003, 3) the decentralization reforms in Latin America have been a quiet revolution; quiet because they have been unheralded and, for the most part, not a single drop of blood has been shed; a revolution because, while they might not be as radical a some might have liked, they represented a "restructuring of power far beyond the changes envisioned by reform-minded public sector officials and analysts during the 1970s and 1980s." For the most part, these reforms were driven by economic motivations. However, as the experiences from the 1980s and 1990s accrued, the evolution in the approach to decentralization was marked by abandoning economic development as the

primary objective in order to reconsider the more complex realities in which the decentralization efforts of countries were taking place (Cheema and Rondinelli 2007). This approach did not abandon the focus on institutions and actors, but it did broaden the scope of what decentralization was capable of and what its elements or components were. In this context, the general perception or conventional wisdom among governments, proponents and scholars of decentralization placed political and social considerations on equal terms of attention.

Bardhan and Mookherjee (2006), for example, urged not to concentrate solely on economic incentives, but rather take also into account the politically motivated reasons to decentralize. They argued that "from the standpoint of politics, decentralization is typically viewed as an important element of participatory democracy that allows citizens to have an opportunity to communicate their preferences and views to elected officials who are subsequently rendered accountable for their performance to citizens". Addressing Bardhan and Mookherjee's argument in similar lines but more detailed, Kathleen O'Neill (2004) proposed that political calculations and electoral considerations by the party in power played a significant role in the decision to push for decentralization. Furthermore, and in an effort to show the importance of the size of government, i.e. in this case local governments, Diamond (1999, 117, 120-122) argued that, around the world, 75 percent of smaller states (those with less than one million inhabitants) have become stable democracies in the course of the second and third wave of democratization. He proposed, if smaller states have a better chance to become stable democracies, decentralization can be beneficial to the extent that decentralized local governments could benefit from the same conditions that smaller states have so far benefited from deepened democracies. Diamond argued further that a more representative local government fostered democratic vitality in five ways: helped develop democratic values and skills among citizens, increased accountability and responsiveness to local concerns, it provided additional channels of access to power for marginalized groups, enhanced the balance-of-power with the center, and provided opportunity for the opposition to exercise power at the local level.

In recent times, John Cameron (2010) discussed the focalization of most recent research on institutional aspects of decentralization and municipal leadership (service delivery,

administrative capacity, design of the decentralization framework, etc.). He argued that an analysis of the institutional aspect of democratization as well as of decentralization measures had to be complemented with an analysis of historical power relations (economic, social and political) of local actors and local *ecological factors*[25] [emphasis added] (Cameron 2010, 10–12). He distinguishes four important institutional factors that influence municipal democratization: 1) historical timing of political decentralization (i.e. the creation of municipal districts and the first elections of municipal leaders, is when power began to be contested); 2) the creation of new institutions for citizen participation in municipal decision-making (those institutions created from the top and those created from the bottom[26]; 3) administrative decentralization determines the degree of jurisdiction that municipal governments can exercise over issues that can generate serious political cleavages and conflicts; and 4) the transfer of financial resources seems to have important but indirect impact on municipal democratization. In this respect, this dissertation tends to agree with Cameron (2010), with the only exception that this study argues that equal attention has to be placed on what Cameron calls ecological factors, and which this study emphasizes as the creation and expansion of citizenship.

Finally, if we consider the case of Bolivia, which is the focus of this study, there is a large body of literature considering not only the various effects of decentralization but also a wide range of aspects such as local and national development (Rondinelli 1983; Hollis 1997; Salinas 2000), on local and national finances (Galindo and Medina 1995; Wiesner 2003; Tanzi 2001; Stein 1999), on local government performance (Faguet 2003; Hiskey and Seligson 2003), on municipal issues (Canel 2001), on citizen participation (Blanes 1999a; Blanes 1999b; Bade 1998; Thevoz 1999), on inter-governmental relations (Arandia 2002), on social equality (Gómez 2006), on constitutional issues (Barrios 2004) and on conflicts (Kieveliz and Schorttshammer 2005).

[25] By ecological factors Cameron refers to the factors surrounding decentralization, factors other than institutions and actors, such as access to education, health, the affirmation of culture, identity, and access to information and democratic skills.

[26] According to some authors, top-down institutions have inhibited the creation/experimentation of participation institutions from the bottom-up.

Nevertheless, it was Montero and Samuel (2004, 28) who spoke of the demos-enabling quality of decentralization and its more prominent role in the debate. They also departed somewhat from the prior debate between the top-down and bottom-up camps by introducing a chronological order to this debate. They argued that the decentralization impulse came, at first, from elites who sought to realign their support in times of change triggered by the economic crises of the prior decades. After this initial impulse, civil society and society in general actively sought the intensification of the process, initiating thus the bottom-up approach. In particular, there have been significant developments concerning the further evolution of civil society groups or social movements. Such groups, after having realized the potential of decentralization, have tended to concentrate their efforts around increasing citizen participation and issues such as democracy, human rights, poverty, indigenous rights, and economic justice, to name a few. These movements brought new demands into the public sphere and energized challenges to existing political arrangements from the bottom-up (Avritzer 2002). Gradually, in some cases, civil society organizations have become important players as well as local and regional governments vis-à-vis the national government (Selee and Tulchin 2004, 302). Some of the mechanisms used to achieve this relevance were participatory institutions such as councils, boards, committees, etc., where people could voice opinions, ideas, critiques, or debates. Participating in the deliberative decision-making process was a key concept. Selee and Tulchin (2004, 308) highlighted three lessons: a) participatory approaches to democratic governance appear to work well when they are locally initiated, b) participatory institutions appear to function well only where strong representative democracy with "downward accountability" to citizens already exists, c) municipal governments have become an important site for democratic innovation.

Moreover, Cheema and Rondinelli (2007) take upon the idea of demos-enabling and extend in to the concept of democratic governance. The authors trace the evolution of the concept of decentralization of government into decentralized governance. This evolution reflects the effects that the increasing globalization process, in terms of an increased exchange of information and knowledge across the world, had in the perception of governance and on the appropriate functions of the state and the practices and concepts of decentralization. In particular, they argue, governance has evolved into a more inclusive concept (including

NGOs, civil society groups, private sector, etc.) referring to the participation in the practice of governance of citizens as parts of institutions. The emergence of non-governmental actors and civil society organizations as important actors illustrates this. The authors further argue that the rationale, objectives and forms of decentralization have changed in accordance. Decentralization now encompasses not only the transfer of power, authority and responsibility but also the sharing of authority and resources for shaping public policy within society (Cheema and Rondinelli 2007, 6-7).

In other words, the world has realized that, in the endeavor to understand the process of decentralization, it is not enough to understand how efficiency is achieved, but that other components –such as the political and social components—are just too significant to ignore (Bardhan and Mookherjee 2006). The understanding of decentralization has evolved from being a policy instrument into a complex and dynamic multi-level, multi-dimensional process. A process which attests all its complexity with the stylized fact that decentralization deepened democracy by bringing government closer to the people and their necessities, through the opening up of political spaces for participation and by allowing citizens to take part in the political process (Diamond 1999; Montero and Samuels 2004; Oxhorn 2004; UCLG 2008).

Nonetheless, it is only when we consider the possible costs of decentralization that the full picture of the complexity becomes most evident. Already Diamond (1999, 133) theorized about the possible costs of decentralization: entrenched or created authoritarian enclaves, permitted intolerance of certain minorities, exacerbated geographical inequalities, fostered redundancy and inefficiency, and stimulated ethnic and national consciousness. In addition, Montero and Samuels (2004, 28) reminded us that the current debate had too readily accepted that:

> "… [T]hese are demos-enabling qualities that decentralization may provide to local governments, but whether decentralization actually results in across-the-board 'good' local government is an open empirical question. Indeed, such generally optimistic assumptions about decentralization may be unfounded. Numerous recent studies have demonstrated that decentralization can empower 'bad' local governments as much as 'good' local governments, leaving the overall balance open to multiple interpretations" (as quoted by Montero and Samuels 2004).

On their part, Bardhan and Mookherjee (2006, 9) warned that there are many problems that arise as a result of decentralization. On the political side, local democracy requires a set of prerequisites that often are not present in developing countries: an educated and politically aware citizenry; the absence of high inequality in income or social status that inhibits political participation of the poor or minorities; the prevalence of law and order; the staging of free and fair elections according to a constitutional setting that prevents excessive advantage to incumbents; effective competition between political candidates or parties with long-term interests; the presence of reliable information channels to citizens (free and fair and independent media); and the presence of oversight mechanisms both formal (legislatures, judiciary, independent auditors) and informal (civil society organizations). The authors highlighted, for example, in the case of development planning, the issues were often too technical for actors involved in the process or how civil society's involvement has been traditionally suspicious of these institutions because of histories of manipulation. Moreover, at the local level, local elites often co-opt participatory institutions by creating their own civil society organizations in order to take part in the decision-making process. On the economic side the pitfalls were: deficiencies in a functional local democracy, adequate fiscal autonomy for local governments, wherein they can raise revenues from local sources with the same level of administrative and economic efficiency as the central government, absence of intercommunity externalities in service provision, and administrative and technical expertise of local and national government officials.

In light of this complex picture, some scholars expressed the need to understand decentralization in a more sophisticated manner, emphasizing the multidimensionality of the concept and its democracy-furthering potential (Oxhorn 2004, 4-10). In that light, several scholars made the linkage between decentralization and the deepening of democracy more explicit. Oxhorn (2004) argued that decentralization, economic liberalization and democratic transition were intimately intertwined, but it was not yet clear how. Cheema and Rondinelli (2007, 1-7)[27] traced the evolution of the concept from the 1960s international organizations' experience, through the changes in the 1980s and 1990s, to today's new thinking of decentralization. They argued that with the onset of

[27] Cheema and Rondinelli (2007) speak of waves of decentralization. The first wave began in a post WWII era encompassing the 1960s, 1970s and the early 1980s. The second wave began in the mid-1980s. The third wave began in the 1990s and is still going on.

globalization, the democratization wave around the world and the awakening of non-governmental organizations, our understanding of the state has been modified. Now, actors such as non-governmental organizations, private enterprises, civil society, etc., have gained relevance and status as actors taking part in what is now called "democratic governance". Decentralization, in that respect, is not only considered a complex multi-dimensional process, but a fundamental and dynamic background structure that has the potential to shape the interaction or relation of all those actors. That interaction takes place on various levels.

Defining decentralization

It is therefore that this dissertation proposes that decentralization should be understood as a dynamic, multi-level, multi-dimensional process; a process which has a beginning but may not have an end; a process that is vulnerable to progress as well as regression; a process in which the components are highly interdependent; and a process which is frequently observable. For the purposes of this dissertation, this study defines therefore decentralization as having three dimensions and three levels. Table 2.1 depicts the different dimensions of decentralization and shows at what levels of government these dimensions can be applied. There are three dimensions, degree, type and temporal. Each dimension has four components, which are defined as follows:

Table 3.1: Dimensions and levels of decentralization

Dimensions			**Levels**
Degree	**Type**	**Temporal**	
deconcentration	political	big-bang	national
delegation	administrative	sequential	intermediate
devolution	financial	gradual	local
autonomy	economic	progressive	

Sources: Own elaboration based on Rondinelli 1983; Montero and Samuel 2004; Falleti 2010; and World Bank.

The degree dimension, which Rondinelli called forms of decentralization, refers to the degrees of power and level of responsibility which the transfer of authority entails.

Therefore, deconcentration shifts administrative and management responsibilities from the central government to different levels of local governments, i.e. regions, provinces or districts. While these tasks are carried out by local administrative offices, the decision-making attribution remains under the prerogative of central government, its ministries and agencies. Some minor decision-making can be attributed to local official, but the real power remains at the center. Through delegation central governments transfer responsibility for decision-making and administration of public functions to semi-autonomous or para-statal organizations, not wholly controlled by the central government but ultimately accountable to it. Governments delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special service districts, semi-autonomous school districts, regional development corporations, or special project implementation units. Usually these organizations have a great deal of discretion in decision-making. They may be exempt from constraints on regular civil service personnel and may be able to charge users directly for services. When governments devolve functions, they transfer authority, responsibility for decision-making, financial resources, and management to quasi-autonomous units of local government with corporate status. Devolution usually transfers responsibilities for services to municipalities that elect their own mayors and councils, raise their own revenues, and have independent authority to make investment decisions. In a devolved system, local governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions. Finally, autonomy is the most extreme form of decentralization. It devolves full authority for decision-making to subnational entities, such as local governments. The most important aspect is the self-regulating and self-governing characteristics, which enables the autonomous entity to determine its own decisions (Rondinelli 1980, 1983; Cheema 2007; World Bank 2009).

The type dimension refers to the form decentralization takes when implemented. First, political decentralization refers to giving citizens and/or their elected representatives more power in public decision-making. It is said to support democratization by allowing for more influence in the formulation, design and implementation of policies. Advocates of political decentralization assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national

political authorities. The concept implies that the selection of representatives from local electoral jurisdictions allows citizens to know better their political representatives and allows elected officials to know better the needs and desires of their constituents. Second, administrative decentralization redistributes authority, responsibility and financial resources for the planning, financing and management of certain tasks, such as the provision of public services among different levels of government. Responsibilities can be transferred to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities. Third, financial decentralization or also called fiscal decentralization is the transfer of financial resources to decentralized units. Such units, in order to carry out decentralized functions effectively, must have an adequate level of revenues –either raised locally or transferred from the central government– as well as the authority to make decisions about expenditures. Financial decentralization can take many forms, including: a) self-financing or cost recovery through user charges; b) co-financing or co-production arrangements through which the users participate in providing services and infrastructure through monetary or labor contributions; c) expansion of local revenues through property or sales taxes, or indirect charges; d) intergovernmental transfers that shift general revenues from taxes collected by the central government to local governments for general or specific uses; e) authorization of municipal borrowing and the mobilization of either national or local government resources through loan guarantees. Finally, economic decentralization is the shift of responsibilities for certain functions from the public to the private sector. Namely, tasks that had been primarily in the government's domain are transferred to business, community groups, cooperatives, private voluntary associations, and other non-governmental organizations.

The temporal dimension takes into account the time in which the implementation of decentralization is carried out. Big-bang decentralization refers to the decentralization program that has been implemented with a unique initial impulse. It might be implemented by one law accounting for the degree and the type of decentralization to follow[28]. Sequential decentralization refers to an order of implementation whereby decentralization is

[28] This variation of implementation, to my knowledge, has not been tried in any case and therefore remains in the theoretical plane.

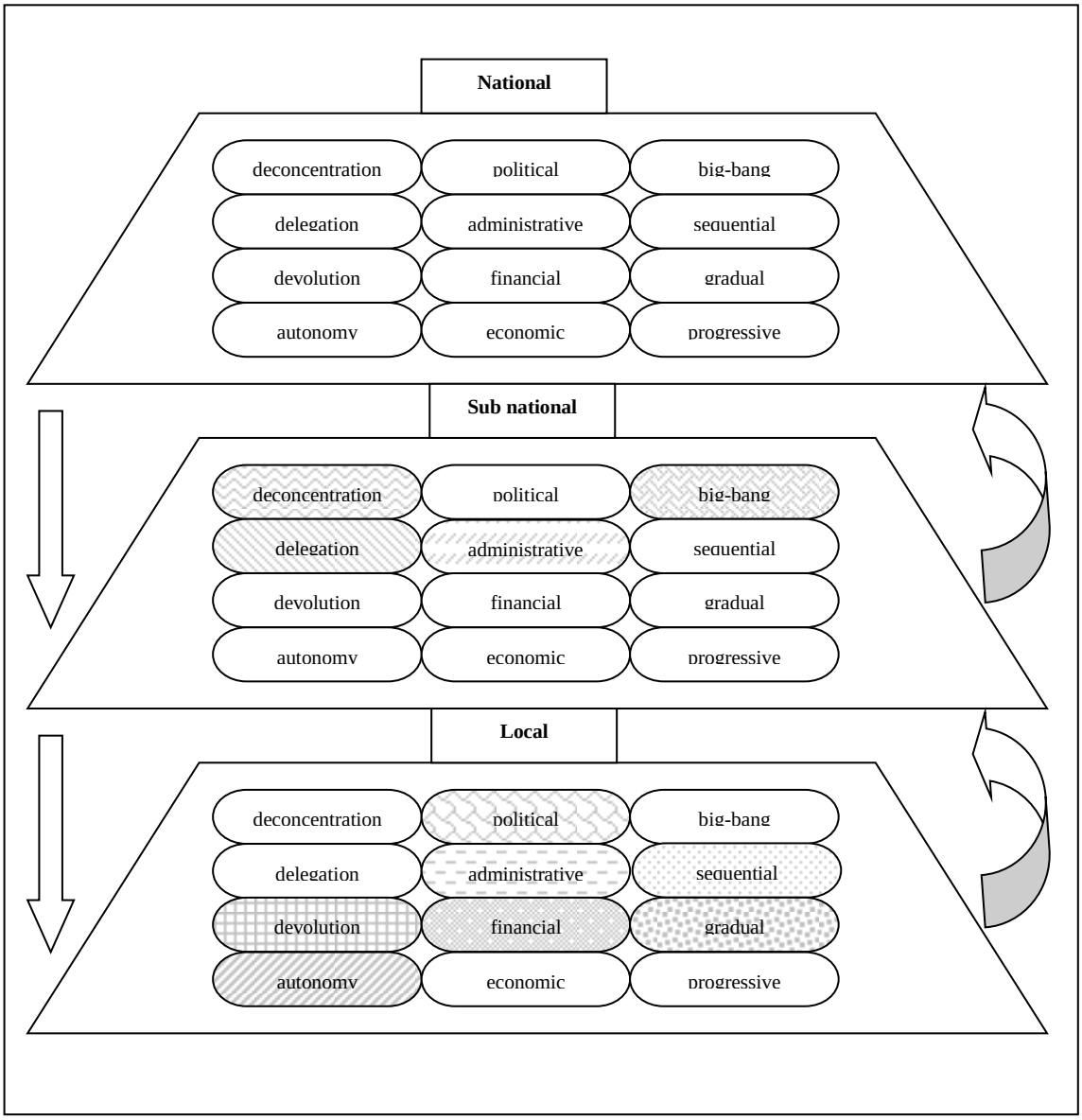
implemented in sequence. For example, administrative decentralization can be implemented before financial decentralization is even initiated. Another example might be the sequential implementation of steps in financial decentralization. Gradual decentralization refers to a step-by-step implementation of any type of decentralization to allow for the measures to have sufficient time to adjust to local conditions. However, it does not have to follow a sequential order. In that manner, administrative decentralization can start with deconcentration and, over time, end in devolution or autonomy. Finally, progressive decentralization refers to the implementation of decentralization measures with an incremental factor. For example, in the implementation of political decentralization, the responsibilities delegated to the local government can have an incremental aspect over time. The logic can be, that the more responsibilities the local government takes, the better it gets at administering them and therefore is able to take more responsibilities.

All components in each dimension can be implemented at different levels of government. Decentralization can be implemented at the national level of government, which is generally defined as the entire territory of a nation state, encompassing regions, departments, states, counties, cantons, municipalities, etc. It can also be implemented at the middle or intermediate –also denominated sub-national level—level of government, which refers to a regional area such as states, provinces, or departments. Finally, it can also be implemented at the local level of government, which refers to municipalities or communities. However, decentralization at the local level is rare, most of the time, the national and intermediate levels are decentralized to the local level. Similarly, decentralization can be done on a supra-national level.

Defining decentralization as a dynamic, multi-level and multi-dimensional process helps to take into account the complexity of the concept regarding its different dimensions and levels as well as the simultaneous or asynchronous interaction among these. It also helps to take a step closer to reality in portraying the environment in which such a process takes place.

Theoretical approximation: possibilities in the implementation of decentralization

Figure 3.1: Schema of a decentralization program



Source: Own elaboration.

Graph 3.1 aims to provide an example of a possible schema of what the implementation of decentralization might look like and the various possibilities available. The combinations can be across degree, type and time, as well as include more than one component and it may follow several objectives. These objectives might be, in general terms, political (such as transparency, to broaden support for the government or expand the reach of the state), social (including the increase in citizen participation or creation of citizenship) or economic (for example efficiency, distribution of public financial funds and economic development).

The decentralization program may be planned from a top-down approach by the national or central governments. The plans generally make use of all the components as well as the dimensions decentralization has to offer and these are adjusted to the particular objectives and needs of the planners, in general concerning the sub-national levels of governments. The top-down approach is represented by the straight arrows pointing down, which are located at the side of the graphs. The graph depicts a full range of options at every level. The ovals, which are represented in various gray shades and patterns, depict the choices made by the designers of the process. As illustrated by the graph, in country A, the decentralization plan could encompass a deconcentration and delegation of administrative duties to the intermediate level of government (i.e. province or department) in a big-bang manner. This, for example, can include the deconcentration of administrative duties in the areas of education and health to the sub-national government such as the Prefect and its office. While tasks and some minor decision-making power are transferred, the central government maintains the ultimate decision-making power.

However, at the local level the picture may be a bit different. The central government might want to devolve some political, financial, and administrative responsibilities to the local government in a sequential and gradual manner. For example, the same country A might decide to devolve political, financial and administrative responsibilities in the area of government investment and financial management to the local municipality. The administrative tasks might be planned to take a sequential progression, where some tasks are devolved in a first phase and others in subsequent phases. However, the financial and political transfer of responsibilities might follow a gradual path, whereby the decision-making powers are incremented as time and experience are acquired by the local government. Finally, the central government might have an ultimate goal to transform that devolution into autonomy in favor of the municipal governments.

At the same time, the graph helps to understand the dynamics among the dimensions as well as the mechanisms of interdependence and interaction such a process might entail. For example, while the central government is decentralizing or it may even be shortly thereafter, the processes may begin, at the lower levels of government, to take a dynamic of its own and start a bottom-up action. That is, some political and social forces such as social

movements, for example, might recognize the opportunities brought by the measures and might adopt strategies to pursue their interests, taking advantage of the tools decentralization has placed in their hands. Some of these advantages might include participative spaces opened by the process, decision-making powers, and bi-directional – horizontal as well as vertical— control powers, just to name a few possibilities. Some of the tools might include active participation and decision-making mechanisms, ownership of issues together with the use of the legal framework, and the use of civic, political and social liberties or rights such as demonstrations or protests. In that sense, the pressure to continued decentralization might bring the process to take a dynamic of its own. The half-circle arrows in the graph above represent these, at times, compulsive forces that might have adopted the process as their own and might be utilizing it for its own political, social or financial objectives. The combination of components is only bounded by the political, economic and social limitations in each country. Finally, decentralization at the local level is rare. Normally, the local level is the lowest level to which decentralization reaches.

Decentralization has thus conceptually evolved from a mere policy instrument into a complex and dynamic process that has the potential to have intended and unintended effects on the system of government of a country and the actors that interact with one another in that framework. To study decentralization as a process is to recognize this complexity and the beginning of the attempt to understand this phenomenon. However, while the complexity of the process has been increasingly taken into account, the emphasis placed on the institutional aspect in the literature has been both strength and a weakness. The majority of the studies dealing with decentralization placed institutions and actors at the center of the process while disregarding other substantive aspects which are also pivotal for the understanding of the workings of such a process.

3.3 Democracy and the deepening of democracy

The other important component for the theoretical framework of this dissertation is the concept of deepening of democracy. However, since this concept is intimately related to that of democracy and to speak of the former would make no sense without speaking of the latter. This section begins with a brief discussion about the latter. At the same time,

however, to embark on a comprehensive discussion about democracy would be useless, especially since the concept of democracy has been examined from every conceivable angle for over two millennia and the result has been, at best, that scholars have come to agree that democracy is a contestable concept. Therefore, for the purposes of this dissertation, the third wave of democratization[29] is chosen as a departing point. A primarily reason for doing so is because this study is about a Latin American country and much of the third wave has taken place in the Latin American region. In addition, Bolivia, located in the heart of South America, was one of those countries that jumped on the wagon early on. Moreover, an additional departing point is the concept of liberal democracy. That is because liberal democracy was generally the idea underlying the idea of democracy during the third wave. Finally, since Bolivian modern democracy emerged within this timeframe, it is logical that the departing points are the aforementioned time and type of democracy.

In the following paragraphs, the conceptualization of democracy is briefly discussed. The discussion touches on how it evolved, in recent times, from a procedural concept to a complex idea of social creation. This discussion is necessary to highlight that the approach to deepening of democracy does not involve a concise and clear definition of democracy – which would not be possible because of the contested nature of democracy—nor to make an evaluation of democracy –whether it is good or bad—nor even to embark on a profound discussion about the quality of democracy, which would include many more aspects. The discussion rather aims to contribute to the debate about the depth to which the democratic process has come to reach, within a specific framework and in a specific country. This depth can be understood in terms of the institutions that make up the democratic system and the substantive issues such as participation and citizenship. In the second part of this section the deepening of democracy is engaged as well as its debate and, from that discussion, a working definition will be formulated.

[29] The third wave of democracy is believed to have began with the Portuguese revolution in 1974 and crested with the transition of communist regimes in Eastern Europe by 1989 (Schmitter and Lynn 1993). Samuel P. Huntington coined the term in his classic 1991 book, The Third Wave: Democratization in the Late Twentieth Century.

3.3.1 On democracy

The expansion or the evolution of the conceptualization of democracy begins with the most formal definition of democracy on which most other definitions rely. Dahl's 1971 classical definition of a type of democracy denominated polyarchy provides scholars with a starting point to begin the long and highly contested road to defining democracy in contemporary times. These criteria are summarized in six succinct points that a democracy must display: 1) elected representatives; 2) free, fair and frequent elections; 3) freedom of expression; 4) access to alternative information; 5) associational autonomy; and 6) inclusive citizenship[30] (Dahl 2000). A closer examination of these criteria reveals Dahl's assumptions about what democracy entails. Dahl's approach, —in turn based on the work of Joseph Schumpeter and the institutionalist school of thought— goes beyond the etymological definition of the word democracy (*demos* meaning people and *kratos* meaning rule) to place emphasis on the procedural side of the system and the actors in it. At the core of the matter, the interested observer can find that Dahl assumes democracy is best served when people take part in it and take ownership of the rules of the game, participate and contest power, where that participation and contestation takes place within the institutional framework at hand. In the end, inclusion and contestation are two important characteristics to move a democracy from its transition point to what Dahl called a representative democracy (Dahl 1971; 2000).

What Dahl presents, in his effort to define democracy, is a bare minimum of conditions for a government to be called democratic. However, scholars have criticized this rather proceduralist definition, which placed institutions and actors at the center of analysis and not fully reflected the complexities of the democratic process. In an effort to highlight this critic it is useful to cite Amartya Sen (1999, 5, 9-10) who affirmed that democracy was a universal value:

> "… [T]his recognition of democracy as a universally relevant system, which moves in the direction of its acceptance as a universal value, is a major revolution in thinking, and one of the main contributions of the twentieth century. …we must not identify democracy with majority rule. Democracy has complex demands, which certainly include voting and respect for election results, but it also requires the

[30] The criteria originally outlined by Dahl in 1971 is: freedom to form and join organizations, freedom of expression, right to vote, right of political leaders to compete for support, alternative sources of information, eligibility for public office, free and fair elections.

> protection of liberties and freedoms, respect for legal entitlements, and the guaranteeing of free discussion and uncensored distribution of news and fair comment. ... Democracy is a demanding system, and not just a mechanical condition (like majority rule) taken in isolation."

Sen attributed three qualities to democracy: intrinsic, which referred to democracy's linkage with the various freedoms and rights of people; instrumental, which provided the mechanisms for government control; and constructive, which referred to the formation of values and the contributions to better understanding of necessities, rights and responsibilities. While it is possible to recognize the intrinsic in Dahl's work, the instrumental and constructive qualities are less recognizable. The two latter qualities are considered a significant contribution to the concept of modern democracy.

Another contribution in this direction is that of Schmitter and Lynn (1993, 40) who defined democracy as a system of governance in which rulers are held accountable for their actions in the public realm by citizens. However, in addition to this seemingly proceduralist definition, they highlighted a series of concepts and principles without which democracy would be ill-defined. Among the concepts they included, public realm, where democracy took place; citizens, denoting who made use of democracy or even who were the beneficiaries of such a system; competition, the self-regulating mechanism that would provide some kind of equality; majority rule, to reflect the decision-making and cooperation, a necessary condition for decisions to be in the interest of the general public. Moreover, the authors rested on the proposition that a well-functioning democracy had to abide by the principles of "contingent consent and bounded uncertainty" (Schmitter and Lynn 1993, 47). Contingent consent referred to the consent the opposition gave when losing an election knowing well that in the next elections it would get the chance to contest power and bounded uncertainty referred to the necessary uncertainty in the rules of the game. This uncertainty, however, would be bounded, as it would be relatively certain that the next elections would happen or the ruling party would not stay in power indefinitely. In this sense, the complexity of modern democracy became evident, especially considering that not just procedures and norms were required to be taken into account, but principles, values, and concepts that, among other things, underscored the relatively important role of those institutions and procedures.

Furthermore, anchored in Dahl's definition and in an effort to reflect the complexity of reality, many scholars sought to contribute to the understanding of democracy by developing a typology, which would explain the diversity reflected in reality. For example, Guillermo O´Donnell (1992; 1994), based on his observations of the salient characteristics many third wave democracies displayed, specifically in Latin America, observed the emergence of a new type of democracy, which he called "delegative democracy"[31]. This type of democracy, he argued, did not entirely fit Dahl's conditions, and thus could not be listed under the representative democracy category. In similar fashion, David Held (1995) conceptualized about classical, liberal and direct democracies, as well as introducing new concepts such as competitive-elitist democracy, corporatist democracy and deliberative democracy. Moreover, Arend Lijphart (1999) posited two other variants of democracy: majoritarian vs. consensual. Lijphart's underlying assumptions underscored the benefits of parliamentarian democracies vis-à-vis presidential democracies. Finally, Lauth (2004) differentiated between functioning democracy, defective democracy and deficient democracy and, Merkel et al (2003) between exclusive, illiberal, delegative and enclave democracies[32]. The proliferation of "democracies with adjectives" (Collier and Levitsky 1997) further highlights the diffusion of the meaning of democracy.

Nevertheless, out of a relatively confusing field of studies, the liberal democracy concept emerged as a major underlying concept. This approach has come to encompass a great majority of the aspects treated above and emerged as the dominating tradition. In that respect, Gaventa (2006), for example, argued that the three main approaches towards democracy can be traced to the liberal school of thought: a) the neoliberal approach, which, in the author's words, reduces citizens to consumers who act through market choices; b) the liberal representative model, which places great emphasis on getting the institutions and procedures to work in an efficient manner; and c) the deepening of democracy approach,

[31] O'Donnell defined delegative democracies as those democracies that rest on the premise that whoever wins the election to the presidency is thereby entitled to govern as he or she sees fit, constrained only by the hard facts of existing power relations and by a constitutionally limited term in office. See Guillermo O'Donnell. 1994. Delegative Democracy. *Journal of Democracy*, vol. 5, n. 1, January.

[32] For a review of sub-types of democracies see Berg-Schlosser (2004). For a continually updated list of types of democracies visit http://en.wikipedia.org/wiki/List_of_types_of_democracy.

which grows out of long traditions of participatory democracy and argues that citizens should exercise ever deepening control over decisions which affect their lives.

The intention in this section was to provide an approximation to a working definition of democracy. In that sense, the idea of liberal democracy, advanced by Larry Diamond (1999), is adopted as a point of departure. This is not only because liberal democracy has established itself as the dominant tradition and is, to a large extent, the underlying concept of democracy in the literature, but because it is the widest conceptualization of democracy. In addition, as mentioned in a prior paragraph, the concept of liberal democracy was the underlying idea of the third wave of democracy and of Bolivia's democracy. Furthermore, the idea of liberal democracy places emphasis on the importance of institutions, their nature and their functions and also highlights the importance of other not so irrelevant aspects such as the participation of people in the political process, the attitudinal or behavioral components, the diverse values encompassed in the concept and the substantive issues such as citizenship.

Diamond (1999) argued that a democracy with polyarchic characteristics was a good beginning, but in order to progress towards a fully consolidated democracy it had to incorporate not just normative but institutional as well as behavioral characteristics. He defined liberal democracy in terms of Dahl's procedural characteristics, to which he added the following characteristics: a) absence of reserved domains of power (e.g. any group not accountable to the electorate); b) in addition to a vertical accountability of power by the ruler to the people through elections, there should exist a horizontal accountability of power among the different actors; and c) a consistent, fair and predictable application of the rule of law in order to protect political and civic pluralism and freedoms. In addition, Diamond argued that a liberal democracy must seek constant improvement in three pertinent areas: regime performance, political institutionalization, and democratic deepening, at the three relevant levels: elites, collective actors and mass public. Each of these levels had two dimensions: normative and behavioral. In the area of regime performance, the regime must seek to produce sufficiently positive policy outputs to build broad political legitimacy. In the economic area, the regime must achieve equality, growth, employment, etc. In the political area, the regime must establish law and order (some of the dimensions are crime,

corruption, etc.). In the area of political institutionalization, the regime must achieve routinized, recurrent and predictable patterns of political behavior. This was achieved by strengthening the bureaucracy, the political parties, legislatures, and the electoral system, as well as the structures that ensured horizontal accountability, constitutionalism and the rule of law (judicial system, auditing, oversight agencies, etc.). Finally, in the area of democratic deepening the regime must make the formal structure of democracy more liberal, accountable, representative and accessible.

As observed, Diamond's definition did not only consider institutions as the center of the system, for example by considering horizontal as well as vertical accountability through the institutional arrangements or the application of the rule of law. He also considered the depth of the democratic process by mentioning relevant actors such as the mass public –in addition to the elites and collective actors such as political parties—as well as including a behavioral dimension. The inclusion of these factors and dimensions allows researchers to take into account the institutional aspects of the democratic process as well non-institutional and non-actor aspects. These have been previously referred to, in this dissertation, as substantive aspects, e.g. citizen participation and citizenship. In addition, such an approach allows researchers to be able to observe the different relationships or linkages among these within an institutional framework and a multi-dimensional and dynamic environment. Unfortunately, Diamond falls short in his explanation of what exactly does he mean by these latter terms. From his definition it is possible to infer that this behavior to which he referred is one that is best channeled by the regime's institutions. This is true, especially when he talked about routinized, recurrent and predictable patterns of political behavior.

3.3.2 Deepening of democracy

The discussion about democracy, its definition and its depth, necessarily leads to the discussion of the deepening of democracy, as they are intrinsically interrelated. As the third wave of democratization progresses, it is possible to observe that the practice of democracy has spread around the globe in the last decades. The 2002 Human Development Report quantifies it thus: "in the last two decades of the XX century we saw a historic shift in the

global spread of democracy. The report mentions that some 81 countries –29 in Sub-Saharan Africa, 23 in Europe, 14 in Latin America, 10 in Asia and 5 in Arab states—took [definitive][33] steps towards democratization" (UNDP 2002, 63). Only recently, we have been able to observe the so called "Arab Spring", where traditionally authoritarian regimes have been removed through protests and revolutions and replaced with procedural democracies in Tunisia, Egypt, and Libya while other regimes have been seriously challenged, e.g. Syria, Yemen, Algeria and Morocco. In light of this development, the questions demanding the attention of scholars have not been whether democracy will take place but rather when, and most importantly, how to deepen or consolidate it.

At the same time, however, the third wave has brought both hope and worries due to its seemingly paradoxical outcomes. Over the last decades, while democracy has been expanding as never before, bringing much hope on the way, there is a worrisome trend towards a diminishing legitimacy for democracy as a regime due to lack of palpable results in the lives of citizens. More and more citizens' surveys are beginning to show how the opinion of people is expressing skepticism for democracy. The same 2002 report points to the "disappointment" people feel by the economic and social results and about the troubling trends in the loss of confidence and faith for governments and its institutions (UNDP 2002, 63). Finally, many observers and critics alike also point to the fact that ten to twenty years into the third wave, democracy has not delivered the promises of better lives, social justice, and less poverty as it was expected. Against this troubling background, once again, a very relevant question arising is how to deepen the democratic process or how to make it qualitatively better or even how to consolidate it.

The inability of democracy to deliver what it promised has brought to attention its deficits. If democracy is understood as a system of government where aside from holding regular free and fair elections, people –assuming equal rights— should actively take part in government and are some how part of the decision-making process, the question of deepening of democracy –as in making democracy more democratic—should address those deficits. The debate proposes different approaches to this. On the one side, the 2002 Human Development Report argues that to tackle democratic deficits, much attention must be paid

[33] Emphasis added by the author.

to institutions and democratic politics. Institutions must be accountable because institutions can be subverted by corruption and elite capture and they can have an inadequate reach and have gaps in the democratic practice. These democratic institutional deficits can be addressed by: a) developing stronger vehicles for formal political participation and representation through political parties and electoral systems (improving governance in political parties, promoting participation of minorities, building electoral systems and limiting the distorting influence of money in politics); b) decentralizing democratically by devolving power from the central to the local governments (widening participation, especially of minorities); and c) developing strong and independent media.

Another approach was advanced by Wampler (2007). He made the argument that participatory institutions (i.e. participatory budgeting, PB) were linked to the deepening of democracy because they promoted governmental accountability and created active and knowledgeable citizens. He argued that PBs were institutions that contributed to the deepening of democracy and the creation of strong democracies. In the praxis, which he observed in Brazil, he argued that PBs had two factors that accounted for outcomes: 1) level of mayoral delegation of authority to citizens, and 2) types and ranges of political activities utilized by civil society organizations. In a strong PB, the mayor will largely support delegation of authority to citizens and civil society organizations will have engaged in, both, cooperative and contentious relations with the local government. The contentious part safeguards these organizations against cooptation.

On another side, there are those who choose to see democracy in a continuum of time, beginning with procedures and ending in consolidation. The focus rather is on the issues along this continuum. Montambeault (2008, 115) talked about a substantive approach to democracy rather than procedural. She departed from a continuum conception of democracy where democratic procedures were at the beginning. She argued that the quality of democracy was measured by the extent to which all citizens were granted full citizenship. In her study of the Bolivian decentralization case, she observed that the results were ambiguous. That is, that the decentralization process in Bolivia created democratic institutions for participation but the shortcomings of these created fundamental barriers for social participation to lead to the social construction of inclusive citizenship. These

institutions, especially in the context of countries such as Bolivia, may present deficiencies that prevent the, either acquisition or the practice of social, political or civil rights of citizens. In theory, citizenship should be granted by the state, but in practice that is seldom the case (117–119). For that reason, civil society has a pivotal role in the negotiation of citizenship with the state through institutions such as formal deliberative forums or citizens' oversight committees. The way these institutions work are also relevant: inclusion of civil society representatives into decisional structures, frequency of deliberative activities, information available to citizens, involvement of community members in the implementation of social services, etc. She argues further, however, that citizenship is closely tied to the state, its institutions and to the relationship between these two and citizens themselves. Furthermore, she proposes that citizenship has three dimensions: rights, responsibilities, in addition to access and belonging. More specifically, the latter refers to the qualitative, and more substantive, dimension of participation which can include representativeness, modes of nomination in participatory mechanisms, formal recognition of citizenship, formal recognition of traditional forms of organization, as well as aspects such as informed citizens, acquisition of democratic knowledge, skill-building, awareness of rights and responsibilities, etc.

At the same time, the debate over the various "problems" of democracy has brought to the forefront the deepening of democracy as central issue. This debate has principally concentrated on the nature of the relationship between the State and the people and how the latter has the right to have some degree of influence over the former. The concept thus has been defined as,

> "… [D]eepening democracy, then, requires moving beyond regular elections to take further steps toward strengthening citizenship and democratizing the state. Strengthening citizenship means transforming residents from passive subjects in dependent relationships with particular politicians or parties into active citizens who know that they have political rights, that they can legitimately make demands on the government for public services, and that they can make their voices heard in political debates" (Goldfrank 2011, 13).

This has meant that the participation aspect within democracy and the development of a vibrant civil society as well as the development of the institutional arrangements in which participation can be practiced is an intrinsic part of democracy and its deepening process.

Moreover, according to Gaventa (2006), the deepening of democracy is a strand or a school of thought within the democracy-wide debate about the construction of a concept. He said that deepening of democracy focused on developing and sustaining substantive and empowered citizen participation in the political process, which what is normally found in liberal representative democracy alone. In addition, Harbers (2007, 40) has said:

> "Deepening of democracy calls for the restructuring of state-society relations. One of its central elements is the emphasis on the promotion of democratic values such as participation and deliberation. Democratic deepening requires opening the political system to all citizens (Adams 2003, 133). Because even under formally democratic Latin American regimes access to the political system has been denied to large sections of society, the creation of more inclusive political-institutional arrangements is necessary (Alvarez 1993, 193)" (as quoted by the author).

While the definitions of deepening of democracy attempt to take into account a central element such as the participation of people, the emphasis of this debate is still on the institutions necessary for the participation, which has restricted the discussion to the institutions. The generalized assumption is that if the institutions are right the democratic process will deepen. Harbers (2007, 41) highlights that:

> "[While] proponents of deepening democracy criticize polyarchy as insufficient, they share with it an emphasis on institutionalized processes. Much of the deepening democracy literature focuses on institutional design ... Participatory institutions should facilitate and structure the active involvement of large numbers of citizens in policy-making. Getting the institutions of participation right is therefore a central concern."

However, according to Gaventa (2006), there is already a consensus over citizen participation in institutional arrangements and its relationship with the deepening of participation. He argues that the new questions focus on how to do this right. He posits four sub-schools or approaches to strengthen citizen engagement: a) civil society democracy; b) participatory democracy; c) deliberative democracy; and d) empowered participatory democracy. The civil society democracy sub-school argues for the strengthening of civil society as a counterbalance for the state. A critique to this approach is that the virtues of civil society are assumed. The participatory democracy approach focuses on the deepening democratic engagement through the participation of citizens in governance, i.e. co-governance. A critique to this sub-school is that participation can easily become abused or

captured by elites. The deliberative democracy sub-school focuses on the nature and quality of deliberation that occurs when citizens come together. Lastly, the empowered participatory democracy approach focuses on the empowerment of citizens through the participation in the political process.

Furthermore, Harbers (2007, 41) also concentrates on the question of how to achieve participation best. The author proposes five dimensions of participation that contribute to the deepening of democracy. First, she argues that the moment of participation in the policy process is important as most participation is brief (referendum or election). Participation should be over longer periods of time and throughout the policy process. Second, processes need to be institutionalized and turned into regularized patterns of interactions with civil society organizations. Third, participation should have a concrete orientation towards problem-solving because citizens are closer to the problems. Fourth, opinions should be generated through deliberation as citizens participate as equals in this process. Fifth, legitimacy should be derived from the deliberative process.

For the purposes of this dissertation, the understanding of deepening of democracy relies mostly on the definition given by the particular debate on the concept. That is, deepening of democracy consists on the further democratization of the state, i.e. the intensification of the participatory aspect and the expansion of the concept of citizenship. With the former is meant, participation not only in elections but rather a substantive and empowered citizen participation in the political process where citizens take part in the formulation of policy, have the chance to acquire experience in democratic procedures, learn from one another and form the system, and have the chance to exercise their rights and obligations. With the latter concept it is meant the deepening or expansion of the idea of citizenship, i.e. the inclusion of other kinds of rights and obligations and the chance to actively exercise those rights. At the same time, while some scholars bundle other concepts such as, governance, rule of law, stability of democratic institutions and political and social integration (Merkel et al.. 2003; Bertelsmann 2010), with the concept of deepening of democracy, it is understood that these concepts overlap each other yet, at the same time, they are conceptually distinguishable from that of deepening of democracy. For example, while rule of law might play an overlapping role in the deepening of democracy by establishing more

equality under the law or even more independence of the justice system, it forms a more conclusive part of the consolidation of democracy debate. The same happens with the other concepts already mentioned.

In similar fashion, a revision of the literature on democracy and democratic deepening inevitably leads to the consideration of other concepts such as democratic consolidation and the quality of democracy. This dissertation, while acknowledging the close relationship among democracy and democratic deepening with consolidation of democracy and quality of democracy, argues that these concepts are conceptually distinguishable. Democratic consolidation, for instance, is conceptualized as an end, while the deepening of democracy is considered as one more aspect to take into account when we talk about consolidation (Diamond 1999; Merkel et al.. 2003; Merkel 2010). That is, deepening of democracy is located somewhere along the continuum transition to democracy – consolidation of democracy (Montambeault 2008). The same can be said about the debate over the quality of democracy. While democratic deepening might be closely related with the concept of quality of democracy, democratic deepening refers to one specific aspect of democratic quality, i.e. participation. Therefore the discussion here seeks to concentrate on the debate about the concept democratic deepening, to achieve a high level of analytical clarity. In the end, other debates are not taken into a full account because it would digress from the aims. Finally, the section has shown that the concept of democratic deepening is intimately related to democracy and that the debate has followed a path that has placed emphasis on the institutions as the places where participation would take place. However, the question of who is to take part in the political process has been largely overlooked.

3.4 Decentralization and the deepening of the democratic process

Having defined the two principal concepts in the previous two sections, this study seeks to explore the nature and function of their relationship and establish the relevance for the particular case of Bolivia. The line of argumentation departs from the observation that the debates over decentralization and the deepening of democracy have been carried out separately in the scientific literature. Neither of the two bodies of literature mention each other or each other's findings and conclusions. Whilst, in the decentralization debate there

is often mention of decentralization's contribution to the deepening of democracy, the literature lacks a formal attempt to propose a theory about this relationship. It seems, rather, that the literature implicitly accepts a corollary linking the decentralization process with the deepening of democracy, with the exception of Mascareño (2009, 3) who does ponder about a direct relationship between decentralization and democracy in the Latin American context and concludes that there is generalized uncertainty about this relationship. At the same time, the debate over deepening of democracy hardly mentions decentralization other than implicitly considering the latter by focalizing the analysis on the local level and the institutions involved. Yet, the two concepts largely overlap in two main areas: the role institutions play in the respective processes and the significance of citizen participation. The difference is the emphasis placed in either one of the two areas mentioned.

On the one side, the decentralization debate overwhelmingly renders institutions –i.e. governmental entities, organizations, or legislation—as the central condition in order for decentralization to achieve its objectives. The institutions that decentralization creates frame state-society interaction and influences policy-making and the implementation process. These institutions can include: formal deliberative forums, citizens' oversight committees or formal rules and regulations. The importance of reforming the institutions in the appropriate manner is a precondition that is widely accepted by scholars alike. Meanwhile, of lesser importance is the issue of citizen participation. This concept is treated as a desired consequence of the implementation of decentralization measures, and not so much as a declared objective.

On the other side, the democratic deepening debate grants center stage to the issue of citizen participation in the political process. A democratic process that is understood largely as a process of interaction between the state and its people requires the active participation of its citizens in as equal terms as possible. At the same time, however, the literature implicitly takes into account the institutions through which this participation becomes part of the system. In other words, institutions are significant, but people and the participation thereof are the central focus of the analysis.

In both bodies of literature there is a somewhat uncritical and preponderant emphasis on the treatment of institutions and the participation of citizens. In fact, some scholars have called to attention the lack of studies empirically testing the link between decentralization and the deepening of democracy (Oxhorn 2004). While there is a good amount of literature available on decentralization itself, including many studies on the Bolivian case (see for example Faguet 2006; O'Neill 2004; Blanes 1999a; Blanes 1999b; Thévoz 1999; Bade 1998), there is very little written about the effects of decentralization on the democratic process. Moreover, there is even less written about those effects on the particular Bolivian case. Most of what has been written lies within the assessments and considerations about decentralization as a policy, whereby democratization is an underlying component and a quasi-automatic result. The majority of studies make an implicit assumption taking democratization as an antecedent condition for decentralization, local democracy, civil society, participation, etc., (Rondinelli 1984; Diamond 1999; Oxhorn 2004). However, they do not address directly the possible relationships between decentralization and democratization.

Therefore, there is a need for more studies dealing directly with the exploration, the better understanding and the analysis of these relationships, since, in both debates, there are very few empirical studies exploring or attempting to better understand this linkage (Montero and Samuels 2004). In this regard, the Bolivian case of decentralization is a particularly fitted object of study, not only because, as explained earlier, it is a case with singular characteristics, but also because this case interestingly challenges conventional wisdom. For all we know, the Bolivian decentralization process could not have only had a positive effect on democracy; a negative effect would have been possible as well, i.e. the regression of the democratic process. For instance, it could have enabled anti-systemic groups within the society to gain control of power and actually reverse, not only the decentralization process, but also the democratic process. This situation could have been the result of an increase in participation but not of the democratic deepening process. Additionally, some of the deficiencies of decentralization cited throughout the body of literature might also have worked against democracy. For example, deficiency in the designing process of decentralization could have had counterproductive results such as the shift of clientilist and corrupt cultures at the national level to the local level. Similarly, it could have even had a

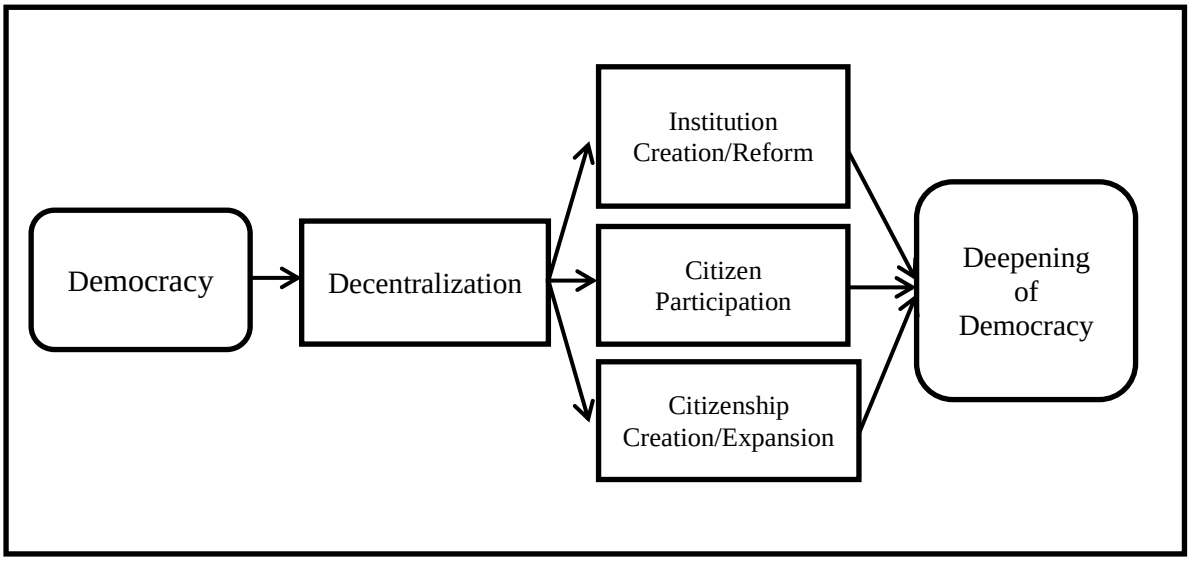
reverse effect on citizen participation and instead increased political apathy. In addition, case studies have provided evidence that decentralization contributed to regional inequalities, for example as some regions had the necessary elements to take advantage of decentralization and some other regions lacked these same elements (Finot 2001; Diamond 1999; Bardhan 2006; Oxhorn 2004; Montero 2004).

While institutions and citizen participation might contribute to the better understanding of decentralization and the deepening of democracy, they do not adequately help to explain the relationship between both of these concepts. Most importantly, whilst both debates consider the participation of citizens as necessary, neither of them asks who in particular is to participate. And if they do mention citizenship as an important aspect, they seldom explore it in depth.

3.5 Institutions, participation and citizenship

The democratization process in Bolivia led to the design and implementation of what was then denoted as a decentralization program. This program, which was purposefully denominated Popular Participation sought to, in addition to reform the state, deepen the democratic process through the creation and/or reform of normative as well as institutionalized organizations, the increase in political participation and the creation and expansion of citizenship. In light of these objectives, the program made emphasis on the creation and reform of institutions and the provision of incentives and spaces for more participation. Unintended, however, was the creation and/or expansion of social citizenship.

Figure 3.2 Conceptual framework



Source: Own elaboration.

Figure 3.2 above depicts the conceptual framework used in this dissertation. The model includes three, two theory-led and deductively developed as well as one inductively developed, analytical tools. These have the purpose to frame the analysis in order to help better understand the processes as well as better explain the extent to which decentralization has shaped the deepening of the democratic process in the case of Bolivia. The first two analytical instruments, institutions and citizen participation, are derived from the overlapping discussions in both bodies of literature considered and are aimed at framing the theory-testing component of this case study. The third analytical instrument, citizenship, was developed from the qualitative expert interviews and the document analysis conducted during field research. This latter concept represents the effort of the case study to generate a new hypothesis in its efforts to further explain the relationship between decentralization and democracy. These three concepts, together, correspond to the hypotheses formulated in Chapter I and IV.

3.5.1 Institutions

Within the formal framework of decentralization efforts, it is assumed that the creation and/or reform of normative institutions, government institutions and of institutionalized organizations or civil society institutions probably shaped the deepening of the democratic

process in a positive manner. The institutions should be understood from the point of view of an eclectic combination of classical institutionalism and new institutionalism. In this respect, the logic does not follow North's (1990, 4-5) strict separation between organization and institution, where organizations are composed of actors and act upon the institutional rules or norms. Rather, institutions are defined as the established organizational arrangements in political life, i.e. those entities or structures to which classical institutionalists refer to as a ministry, an executive, a congress, an assembly, or a sub-national agency, a social movement organization, unions, etcetera. At the same time, institutions are also understood to be "stable, recurring patterns of behavior" (Gooding 1996, 22), which refers to formal and informal conventions or norms of political life (Lowndes 2010; 2002). These patterns of behavior can include legal norms, which are stable and recurring patterns of behavior in written formal form. Laws or legal norms are formal institutions as much as they are seen as stable, recurring and formal patterns of behavior (La Torre 2010). In addition, institutions must stand the test of time. That is, they must be able to last for prolonged periods of time as well as being able to change or develop themselves over the same period. These institutions operate in a complex environment (Lowndes 2010, 69). The organization and endurance aspects of these institutions are fundamental characteristics because an institution may be organized through rules; however it also has to endure over time. These two types of institutions do not only, in the end, directly influence the behavior of people, but also have the capacity to shape the form of the political system through the creation, reform, addition of government institutions, laws, and civil society institutionalized organizations, thereby indirectly influencing people's behavior as well.

Consequently, having defined what is meant by institutions in this dissertation, it is contended that the decentralization process in Bolivia created and reformed a number of normative institutions as well as institutionalized organizations such as government institutions and institutionalized civil society organizations. Table 3.2 below sketches the framework of analysis that serves to facilitate the analysis. In first place, the table points to a chronological approach where the period of analysis begins in 1994 and ends in 2005. Second, the analysis happens in three levels of government, the national, departmental and municipal levels of government. Third, the creation or reform of institutions is approached

with a normative, governmental and civil society criteria to differentiate among institutions and the analysis is also carried out in three phases, distinguished from the process itself. Lastly, three dimensions are differentiated, namely participatory, representative and deliberative.

Table 3.2: Framework of analysis

Chronological	**1994 ----------> 2005**		
Levels	Creation/Reform of Institutions		
National	Institutions	Phases	Dimensions
Departmental	Normative	First	Participatory
Municipal	Governmental	Second	Representative
	Civil Society	Third	Deliberative

Source: Own elaboration.

Furthermore, by creation or reform is meant, first, the literal creation by law as well as the creation of local government level institutions and their civil society counterpart as controlling organizations. Decentralization legislation provided for the creation of local executives and assemblies where they were nonexistent before. The process also provided for the creation of other types of institutions where the government and citizens could contribute to the formulation of policy, for example. By the same token, civil society organizations were created with the same legislation. In addition, the same legislation was able to formalize informally existing institutions as the reforms allowed for the legal recognition of traditional forms of organization of indigenous peoples, e.g. indigenous nations, organizations based on ethnicity, and civil society organizations based on territory.

Moreover, such institutions had the potential to shape the system through the degree, type and temporal dimensions of decentralization. First of all, the temporal dimension affected the sequence of implementation or the speed in which the process evolved. The degree dimension represented the degree to which the relevant institutions acquired power or mandate. The degree dimension may have provided incentives for citizens or other groups to take part in the political process depending on the degree. That is, while deconcentration

and delegation provided fewer incentives, devolution led to citizens or groups of citizens to take ownership of the process. Since devolution was the strongest degree and was basically dependent on the participation of citizens, it was the degree that led to a deepening of the democratic process.

Regarding political, administrative and financial decentralization, political decentralization led to the inclusion of traditionally excluded groups of citizens, such as indigenous peoples. The state, by decentralizing the political power, provided incentives for other groups to engage in the local political process because the reforms may have given incentives for the contestation of power, again, at the local level. This type of decentralization also incentivized the implementation of social control as a manner to implement vertical control as well as horizontal control, when such organizations have a similar status as governmental organizations –be it at the national or local level of government. Furthermore, a state which is in need to expand its authority and presence throughout the geographical territory in a country needed to create new local governments to increase its presence and assert its dominion over the territory. In another example, such institutions modified or expanded already existing democratic institutions in their capacities, functions, forms and attributions. Administrative decentralization provided incentives if local administration involved the inclusion in the administration of other actors such as civil society. Financial decentralization led to more participation of citizens or civil society if it provided incentives for people to take part in planning and policy formulation.

Lastly, these institutions shaped the democratic process by affecting participation, representation and deliberation, three factors that define the depth of the democratic process. In terms of participation, the governmental institutions as well as the civil society institutionalized organizations had the potential to provide incentives for the participation of citizens or groups of citizens in the political spaces created or reformed by the process. That is, for example, this may have led to citizens or groups of citizens taking active part in the formulation of local policy, such as development planning and participative budgeting. Similarly, the creation of such institutions led to increased and improved mechanisms of representation. For example, citizens are represented by civil society organizations, by local governments, local juntas or committees, and by the political parties. Lastly, the institutions

of deliberation provided citizens and groups of citizens who are represented and participate in the process with the opportunity to deliberate over the issues that are most important to them. At the same time, in behavioral terms, citizens learned from their experiences in local government and in civil society and they also learned from one another. They acquired skills and knowledge about democracy and the democratic process. This led to the internalization of democratic values and procedures and the deepening of the democratic process.

3.5.2 Participation

Table 3.3: Framework of analysis

Chronological	**1994 ----------> 2005**		
Levels	Participation		
National	Electoral	Non-electoral	Dimensions
Departmental	General	Government Institutions	Participatory
Municipal	Municipal	Institutionalized Civil Society Organizations	Representative Deliberative

Source: Own elaboration.

In similar fashion, a second contention is that the increase in the participation of citizens in the Bolivian political life, targeted by the decentralization process, shaped the democratic deepening process in Bolivia. Table 3.3 above sketches the multi-level and multi-dimensional framework of analysis. First of all, the intention here is to provide a brief working definition of participation for the sake of clarity and brevity and to define the sphere of interest. However, this is not an easy task, primarily due to the complexity of the concept and the fact that there is simply no easy manner to define such a concept. For that reason, a full discussion of the participation debate or a comprehensive review of the literature, such as elections, participative democracy, direct democracy, good governance, democratic governance and developmental participation (for more on these debates see Verba and Nie 1987; Dalton 2006; Cornwall 2011; Stiefel and Wolfe 2011), among other topics, is not needed. In fact, it would divert from the purpose of this dissertation.

However, in order to begin to define political participation, it is useful to first take into account several considerations about the concept of participation, especially, about political participation. First, scholars who have looked at the political participation issue have pointed to the fact that political participation is intrinsic to democracy, because democracy relies on the involvement of citizens in many ways (Van Deth 2001; Isaksson 2010). In fact, without participation, democracy would be an empty concept. Second, the concept of political participation has evolved from placing the focus of analysis on the action of voting in elections to the inclusion of other types of political participation, be it volunteering for political campaigns to demonstrations on the streets (Peterlevitz 2011; Kaase and Marsch 1979; Verba and Nie 1978). Van Deth (2001, 4 - 11) made a useful account of this evolution. He showed that the concept evolved from having a handful of types of participation to including some 70 types by the 1990s. Finally, the concept of political participation has provoked the consideration of various dimensions. Some dimensions considered in the literature include the conventionality or lack thereof, the legality or lack thereof, the frequency, the domain, active vs. passive, aggressive vs. nonaggressive, structural vs. nonstructural objects, mobilized vs. voluntary actions, intended vs. unintended outcomes (Conge 1988; Van Deth 2001; Isaksson 2010; Campbell 2011).

In light of the above-mentioned, there is a wide range of efforts to define political participation, from Arnstein's (2011, 5) classical ladder of citizen participation to Conge's (1988) insightful six categories of participation to Brady and colleague's (1995) resource-based model of political participation[34]. This only points to the fact that the field is far from a unifying definition of political participation. Nevertheless, for the purposes of this dissertation, a definition is formulated that is based on prior work combining what, more or less, is the classical approach with more contemporaneous approaches. The definition is based on the work of Kaase and Marsch (1979, 42), namely that political participation is defined as "all voluntary activities by individual citizens intended to influence either directly or indirectly political choices at various levels of the political system." Therefore, political participation refers to citizens who are, first and foremost, people who engage in an action, which implies taking part in something political, as opposed to being or staying outside or supporting political action morally or wishfully. Moreover, this is different from

[34] Brady's resources were time, money and civic skills.

the idea of political activity, where this can be any type of activity, i.e. legal or illegal. Second, the idea conveys an action, and this action is a political action, with political motivations and political ends, as opposed to a cultural, social or humanitarian actions. Moreover, the action entails the intention, from the part of citizens, to influence either the government itself or its actions (Verba and Nie 1987). Third, political participation is differentiated from other types of participation, for example, popular participation or citizen participation alone. In this sense, political participation is decidedly political or has political ends. Finally, the concept addresses an important question that is often overlooked, namely what is it meant by citizens and who exactly is a citizen?

Lastly, participation can be seen in a continuum between active and passive participation (Milbrath 1965; Conge 1988). Active participation concretely refers to a person who voluntarily engages in a political action. These are people in Arnstein's (2011)[35] first six of the eight rungs in her ladder, what she labeled tokenism and citizen power. Action in these rungs involve going to community or local government meetings to, either inform themselves about the issues or express their opinions or even get involved in the planning or discussion or even being part of a mechanism that has decision-making power and managerial power to "follow through" (Arnstein 2011, 4). In addition, active participation includes electoral participation, which refers to those who go out to cast votes in elections. However, it may also refer to those who go out on the streets to demonstrate –in essence, it means being aware of the rights as well as the responsibilities that come with citizenship and actively exercising these. On the other side of the continuum, we find people who are participants in a passive manner. Milbrath (1965) referred to these people as displaying diffuse support and compliant actions. Arnstein (2011, 4) placed them in the first two rungs, in the non-participation category, labeled as therapy and manipulation. This meant that the people were in a position where genuine participation was only an illusion. Conge (1988, 246) defined them as people who have political attitudes, political awareness, but were unrelated to the political process. These would involve a person or a group of citizens

[35] Sherry R. Arnstein's classical article "A ladder of citizen participation" was first published in 1969; however, it was recently republished in Andrea Cornwall's *The Participation Reader* in 2011. She developed a typology of citizen participation with eight rungs divided into three categories. The first category was non-participation and included manipulation and therapy. The second category included informing, consultation and placation participation. The third, and highest, category was citizen power and included partnership, delegated power and citizen control.

who is/are just sitting at home and passively observing the development of the political process. In the end, they are aware of the rights that come along with citizenship, yet do not actively exercise them.

In the course of the analysis of the Bolivian case, it became clear that there were two components to the participation question. Therefore, this study distinguishes between two types of participation, electoral and political or nonelectoral participation. These types could very well fit the definitions of conventional and unconventional concepts within the literature (Peterlevitz 2011; Van Deth 2001; Campbell 2011). Electoral participation refers to the classical approach (Verba and Nie 1987; Brady et al.. 1995) and sees participation as those citizens who choose to cast their votes in national and local elections. This type of participation, while already present in Bolivia before decentralization was introduced, has not always been self-evident. It would suffice to point out to the various dictatorship periods in Bolivia's history, when the electoral process was interrupted. Moreover, historically, a culture of going to vote has not been always present in the country. This is true if we consider that before the 1952 revolution, not every one could vote. Voting was reserved only for a certain kind of citizen who qualified for it. However, in the last twenty six years, participation in elections has been a well-practiced right in the country. In contrast to the literature's conventional position, however, voter participation in all types of exercises is included where the voter casts a vote, such as Bolivia's recall referendums, to give one example. While the literature points to the fact that voting to remove an official from office is a statement on the government and not on the political process, the assumption is that those votes express the political preferences of voters, even if that preference is to replace a government with a new one. That is, in essence, a political statement.

Political participation or non-electoral participation refers to the involvement of citizens in other types of political activity, such as the participation in the different political spaces created by the decentralization process, as will be seen in Chapter VI. This type of participation refers to citizens taking part in the political process in governmental institutions, for example, in the government itself (be it national, departmental, or local); political representative organizations, such as social movements, and political parties; civil

society or citizens organizations, such as neighborhood associations or clubs; and other forms of participation, such as citizens initiatives or social protest and including candidacy for public office.

Participation is also dependent on the different dimensions with which decentralization is implemented. Devolution and autonomy are the highest degrees of decentralization, where, one might argue, citizens have the most incentives to participate. On the contrary, deconcentration and delegation offers the least incentives to participate. At the same time, the type of decentralization has different effects on participation. For example, in general, citizens have more incentives in getting involved in financial and political types of decentralization, whereas administrative and economic decentralization offer the least incentives, simply because to acquire some degree of power through political decentralization means that the other types can also be influenced.

3.5.3 Citizenship

Table 3.4: Framework of analysis

Chronological	**1994 ----------> 2005**			
Levels	Creation/Exercise/Expansion of Citizenship			
National	Attributes	Type	Institutions	Dimensions
Departmental	Political	Individual	Government Institutions	Participatory
Municipal	Social	Group		Representative
	Civic		Institutionalized Civil Society Organizations	Deliberative

Source: Own elaboration.

The third and last hypothesis addresses the lack of substantive issues not dealt with in the literature. It is assumed that the democratic process was shaped by decentralization through the creation or expansion of citizenship. Table 3.4 above, once again, presents a sketch of the multi-level and multi-dimensional framework of analysis. Again, to attempt to present any kind of evaluation of the debate here would be beyond the scope of this work, because

the literature on the concept of citizenship is vast, deep and complex [36]. Therefore, the intention here is instead to briefly define citizenship to delineate the scope of interest.

It is necessary to begin by making explicit the idea that citizenship is intrinsically related to democracy. According to Aristotle, liberty and equality are two necessary principles for the government of the people, i.e. democracy, to take place. Furthermore, he also said that an individual must possess political equality in order to have liberty to govern and be governed. Citizenship, therefore, attributes to an inhabitant of a society the membership in a political community, one in which those who enjoy a certain status –i.e. have citizenship— participate on an equal basis with their fellow citizens in making the collective decisions that regulate life (Bellamy 2008). To attribute this conditions or status to an individual is one of the principal functions of democracy, along with redistributing power in order to guarantee individuals the exercise of their rights (PNUD 2010, 29). Taking into account that democracy is broadly defined in terms of the participation of citizens in the political process and that, in order to participate, the system attributes to each citizen with rights and responsibilities, citizenship then is a necessary condition for democracy to take place.

For the purpose of this dissertation, citizenship is then defined thus. First, through the lens of Political Science and Legal Studies with which, second, the definition follows the liberal approach. Positioning myself within these two disciplines and this school of thought allows me to, first, adopt an approach to the idea of citizenship that is well established and, second, to take some distance from the anthropological and sociological approaches to the concept. With this, it is not my intention to avoid altogether the latter disciplines, because their approach has brought important contributions to the study of citizenship, but to stay along the same lines of conceptualization as the decentralization process in Bolivia and those of this study.

[36] For a full discussion of this topic see Richard Bellamy and Antonino Palumbo. 2010. *Citizenship*. Ashgate Publishing Company; Bruce S. Glassman and Michael Josephson. 2008. *Citizenship*. The Rosen Publishing Group; Paul Magnette, Katya Long, and European Consortium for Political Research. 2005. *Citizenship: the history of an idea*. ECPR Press; Derek Benjamin Heater. 2004. *Citizenship: the civic ideal in world history, politics and education*. Manchester University Press; Engin Fahri Isin and Bryan S. Turner. 2002. *Handbook of citizenship studies*. SAGE; Gershon Shafir. 1998. *The citizenship debates: a reader.* U of Minnesota Press; Martin Bulmer and Anthony M. Rees. 1996. *Citizenship today: the contemporary relevance of T.H. Marshall.* Routledge; Thomas Humphrey Marshall. 1950. *Citizenship and social class: and other essays.* University Press.

As stated earlier, the debate over citizenship is complex. There have been many efforts to provide a definition. T. H. Marshall (1950) laid out the classical, and very useful, typology. He differentiated citizenship between civil, political and social citizenship. The first is comprised of the rights necessary for individual freedom, i.e. individual liberties or freedoms (including expression, thought, religion, private property, engage in contracts, and seek justice). These rights are basically backed up by the justice system. In Marshall's words this included as well, rule of law, equality before the law and due process. Political citizenship is having the right to take part in the exercise of political power (as voter and/or as member in an assembly body with political authority). Social citizenship includes security, a minimum of economic well being, to live the social heritage, and live life in a civilized manner according to the prevailing social standards (Yashar 2005, 46).

Based on Marshall's work, Smith (2002, 105–107), identified four definitions of citizenship, which also show the development of the concept. First:

> "In ancient and modern republics and democracies, a citizen has been a person with political rights to participate in processes of popular self-governance. These rights include rights to vote, to hold elective and appointive governmental offices, to serve on various sorts of juries, and to participate in political debates as equal community members."

The second definition focused on the legal status:

> "Citizens are people who are legally recognized as members of a particular, officially sovereign political community. Citizens possess some basic rights to be protected by that community's government. Possessing citizenship is understood to be effectively equivalent to possessing nationality under a particular modern state."

The third definition focused on those who belong to almost any human association, whether political community or some other group. Yet now the use of citizenship to refer to membership in virtually any association is so ubiquitous that many treat such non-political citizenship as an alternative but equally valid meaning of the word. Smith says:

> "… [T]oday, we often use citizenship to signify not just membership in some group but certain standards of proper conduct. Some people –those who contribute to the well-being of their political community, church, lunch club or other human

> association, and do so frequently, valuably, at some cost to themselves—are understood to be the true citizens of those bodies."

In the end, Smith proposes his own definition:

> "… [T]hen the core meaning of citizenship is membership with at least some rights of political participation in an independent republic that governs through some system of elected representatives –parliamentary, presidential, bicameral, unicameral, or some other variation. Such citizenship is understood to embrace not only various rights and privileges, including rights to participate politically, but also an ethos of at least some willingness to exercise these rights in ways that contribute to the common good."

Finally, Bellamy (2008, 17) defined citizenship as:

> "… [A] condition of civic equality. It consists of membership of a political community where all citizens can determine the terms of social cooperation on an equal basis. This status not only secures equal rights to the enjoyment of the collective goods provided by the political association but also involves equal duties to promote and sustain them, including the good of democratic citizenship itself."

In those countries where democracy is already in place, but it has not yet reached a consolidated state because the necessary conditions are not yet fulfilled, i.e. there is not yet full equality, the creation of citizenship or expansion of it can be a defining factor for the democratic process to be deepened. Latin America is a region where democracy has established itself within the last 30 years. At the same time, however, it is a region where significant economic, political and social inequalities still exist along with democracy. This paradoxical situation is present as well in Bolivia. The passing of the LPP has indirectly sought to address the different kinds of inequality existent in the system. Citizen participation has been the basic idea on which the decentralization process has been implemented. The process has sought to open spaces for participation, and through it, the status of formal citizenship has begun to expand or, as in many cases, to be created.

The definition in this dissertation bases itself on Marshall's work. While it concentrates on the political type of citizenship, it is also aware that civil and social citizenship are significant factors and that these are also guaranteed by the Bolivian constitution. Citizenship is then defined, first of all, as a reciprocal relationship between the citizen and

the State within a political community (Montambeault 2008, 116). This relationship implies that: 1) the individual belongs to the state as if he or she would belong to a club, 2) the individual has allegiance to the State and the latter, in turn, has obligations towards the individual, and 3) the citizen exercises his or her rights and obligations with the purpose of the common good. Second, the liberal tradition relies on the granting of a status. Following those lines, citizenship can be differentiated among political, civic and social citizenship. Civic as well as political citizenship attribute individuals or groups rights as well as obligations based on certain principles. Under the civic type citizens are granted freedoms such as speech, thought, religion as well as equality and due process under the law, whereas under the political type citizens are granted the rights to vote, hold or run for public office, be appointed and take part in assemblies. These rights and obligations are usually written down in the Constitution and other legislation. At the same time, the social type of citizenship refers to substantive issues of citizenship such as the feeling of security, a minimum of economic well being, access to education, health and social security, the acquisition of democratic skills, and access to information. Moreover, it is not enough to have those rights and obligations granted, they also have to be accessible to the individual and exercisable. In many cases, those rights are practically only nominal and neither accessible nor exercisable for certain kind of individuals. Third, there are two kinds of citizens: the individual, who is the beneficiary of all the individual rights and obligations that modern States grant and groups, which can also be attributed citizenship –rights and obligations—through legislation. These can be granted the same rights and obligations as individuals. Examples from the Bolivian context are indigenous groups, indigenous organizations, citizen groups, social movements and, no to forget, political organizations.

The Bolivian decentralization process has been implemented in the three levels of government. However, the major impact has been at the local level, which is the municipality. The process provided for the expansion of citizenship to individuals and groups at the governmental and civil society levels. At the governmental level, the process created mechanisms, where individual citizens could actively exercise their rights and obligations. These include institutions that were created such as the municipal assemblies and the various consultation and deliberative organisms, i.e. education, health and planning juntas. Similarly, citizenship for groups was created by the creation of horizontal control

instances such as the vigilance committee. This institution represents local civil society and has the task of controlling the local government. At the same time, at the civil society level, the territorial basis organizations or OTBs are also a creation of citizenship of the most basic type. These local civil society groups are formally recognized as *persona ficta* and enjoy rights and responsibilities. Each one of these forms of citizenships and types of citizens has an impact on the democratic process.

The Bolivian decentralization thus offers a full range of dimensions with which to influence democracy. The institutions, together with the levels of decentralization, provide arenas of interaction where the effects materialize. For its part, administrative, financial, political and economic decentralizations create or reform these playing fields. The degrees of decentralization give the depth and the speed with which democracy is affected. For example, devolution and autonomy open the citizenship to be more autonomous in the sense that people become more active in exercising their rights and obligations. People begin to inform themselves about the system in which they live in and to learn and accumulate more experiences. The time dimension gives the pace at which these transformations or effects take place. At the same time, these latter can have a retroactive effect and begin a new impulse of effects.

The Bolivian decentralization process did not only allow for citizens to take part in the decision-making process, but by allowing this, it provided incentives for people to exercise their formally granted rights, acquire experience in public administration, foster democratic values, etc. As cited above, there is a need for certain conditions to be present if the democratic process is to further progress. There is thus a need for an educated and aware citizenship. That means that citizens, not only take part of the process in a passive manner but also take action to exercise their rights and responsibilities as given to them. There is a difference between given or granted rights and exercised rights. The idea of citizenship means that citizens take action in educating themselves in the affairs of the commune, take part in the meetings and inform themselves about the issues that are important to them. It also means that these rights are formally recognized by the central government and granted. Finally, it also means that citizens are aware of the possibilities and act upon them as they should.

3.6 Summary

This chapter has delineated the conceptual framework of this dissertation, which rests on two central concepts: decentralization and the deepening of democracy. To that end, it has first argued that the definition of decentralization has evolved from a policy tool into a multi-dimensional, multi-level process with dynamic and interdependent components. In an effort to capture that complexity and based on previous theoretical work, a model has been proposed which postulates that decentralization unfolds in three dimensions and three levels, each of which interacts with one another. At the same time, the chapter has also stated a working definition for the deepening of democracy. This definition has been based on the contested nature of the concept of democracy and in an effort to address this contestation; the chapter identified liberal democracy as the departing point in this dissertation.

A further objective in this chapter has been to provide a review of the debates on both central concepts. One central observation has been that both debates largely overlap each other. At the same time, however, a gap has been identified; one that highlights the concentration of both debates on the participation of people and the institutions where this participation would take place. Furthermore, it was argued that the focus on institutions and the participation of citizens was not enough to better understand the relationship between decentralization and the deepening of democracy. Therefore, the chapter proposed that substantive issues, such as citizenship were also important to be taken into account. Finally, the chapter proposed a model where institutions, participation and citizenship were important factors with which to measure the effects decentralization may or may not have on the democratic deepening process.

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Chapter IV

Methodology

and

Research Design

4.1 Introduction

This study's main interest has been to investigate and, as a result, better understand the relationship between two interrelated processes such as decentralization and democratic deepening. A particular aim was to shed light on the nature and characteristics of the possible effects a multi-level and multi-dimensional process such as decentralization had on the democratization deepening process in the Bolivian case. In the quest to better understand, this study addressed three queries. First, how did the creation and modification of institutions by decentralization affect the deepening of democracy? Second, how did the political participation of citizens, specifically targeted by the decentralization process,

affect the deepening of democracy? And third, how did the creation and expansion of citizenship, resulting from the implementation of decentralization, affect the democratic deepening in Bolivia? A better understanding of this scantly researched linkage would allow theorists, policy makers, and practitioners to better understand both processes as well as the possible effects one might have on the other.

The better understanding of such a complex phenomenon is best served by adopting a qualitative approach, one which could adequately frame its complexity where the aim is not merely establishing a causal relationship but the deeper understanding of the various relationships that may arise and the accounting for the contextual factors that surround the phenomenon. This study therefore argues that the best approach is to adopt a case study of a critical or outlier subject. Therefore, this chapter aims at outlining the methodological approach and the methods of analysis used to address the answers raised above and to present the research design of this dissertation. In a first step, the chapter delineates the underlying epistemological and ontological assumptions and provides the rationale for taking this approach. In a second step, the chapter discusses the rationale for employing an embedded case study with a combination of quantitative and qualitative methods of data analysis. In a third step, the chapter lays out the rationale for choosing the case, i.e. Bolivia. In a fourth step, the chapter elaborates on the methods of data collection and their use to draw insights and conclusions about the questions at hand, i.e. document analysis, survey raw data and expert interviews. Furthermore, this section elaborates on the analysis and synthesis of the data. In a fifth, and last step, the study's limitations are discussed.

4.2 Methodology

Methodologically, this study employed a mixed-methods approach, combining qualitative and quantitative methods of data analysis embedded within a theory-oriented case study research method. The epistemological stance of this study is anchored in pragmatism (Morgan 2008)[37], and therefore in the assumption that a combination of qualitative and quantitative approaches to data analysis is not only possible, but is desirable to pursue

[37] Pragmatism here denotes an alternative paradigm to Positivism and Interpretism or Constructivism. For an excellent and informative discussion on Pragmatism see *The Mixed Methods Reader*, edited by Vicki L. Plano Clark and John W. Creswell (2008).

scientific research (Lan and Anders 2000 as quoted in McNabb 2004, 348; Tashakkori and Teddlie 2008). The pragmatic paradigm emerged from the debate known as the "war of paradigms", a debate that has occupied the social and behavioral science fields during the 1960s and 1970s and much of the 1980s (Tashakkori and Teddlie 2008, 7-8). The "wars" refer to the dispute for superiority of one of the two models of investigation, i.e. positivism/empiricism and constructivism/interpretism. The wars were based on the belief that these two approaches to science were incompatible due to the differences in understanding of ontology, epistemology, axiology, their generalizations, causal linkages and their logics. The positivist paradigm emphasizes a single reality, that which the knower and the known are separate; inquiry is value-free; time and context-free generalizations are possible; causes and effects are distinguishable; it is based on deductive logic and quantitative methods are appropriate. In contrast, the constructivist paradigm emphasizes that there are multiple constructed realities, the knower and the known are inseparable, inquiry is value-bounded, time and context-free generalizations are not possible, it is not possible to distinguish cause from effect, inductive logic and qualitative methods of research are appropriate (George and Bennett 2004; Tashakkori and Teddlie 2008, 11-14).

These fundamental differences in both paradigms resulted in a deep division among the approaches to research, namely the quantitative camp versus the qualitative camp. This division was palpable even among researchers with similar substantive interests. Tashakkori and Teddlie (2008) argued that these wars have been fought in more than one discipline, including education, psychology, and anthropology and, of course, sociology and political science. George and Bennett (2004, 3-5) provided a very illustrative and convincing example through their recount of what happened in the Anglo-American political science field. Two of the major journals in the social sciences, namely, the Journal of Conflict Resolution, which published almost no case studies and the International Security Journal, which published almost no statistical or formal work, were unmistakably separated by an almost blind allegiance to their respective research approaches. The telling evidence was that there was almost no cross-method communication or exchange due to the lack of citation of articles in one journal from the other.

As the ontological, epistemological and axiomatic differences between, on the one side, the Positivist and Post-positivist approaches and, on the other side, the Interpretist or Constructivist approach sharpened, pragmatists emerged arguing for an end of the war based on the compatibility of the two contending approaches. Tashakkori and Teddlie (2008) attribute the emergence of the so called "compatibility thesis" happening first in the education and evaluation research fields, which, parallel to the emergence of paradigm relativism, spread to other fields of social science. The pragmatist standpoint is based on the increasing agreement in the debate about the compatibility of quantitative and qualitative inquiries regarding the value-ladenness of inquiry, the belief in theory-ladenness of facts, belief that reality is multiple and partly constructed, the fallibility of knowledge and the sharing of concerns such as the importance of understanding and improving the human condition, the importance of communicating results to inform decisions, and the belief "that the world is complex and stratified and often difficult to understand" (as quoted by Tashakkori and Teddlie 2008, 16-17). The result of this line of argumentation is that qualitative and quantitative research methods complement each other instead of being mutually exclusive.

Many researchers who have argued against the confrontation of approaches as well as other scholars who have widened their ranges of perceptions, views and approaches have began to accept the mixed-methods approach as a new paradigm in its own right (Tashakkori and Teddlie 2008). Evidence of this convergence in the debate can be seen by considering recent arguments. A telling example is what one of the most influential, widely cited and most criticized books about research design in recent times, KKV[38] (2004, 183), has argued: "Indeed, much of the best social science research can combine quantitative and qualitative data, precisely because there is no contradiction between the fundamental processes of inference involved in each." The main argument advanced by KKV was precisely that these two approaches to research shared, in principle, the same logic of inference while they differed on stylistic and technical matters. The caveat was that the book proposed this logic tended to be explicated and formalized clearly in discussions of quantitative research methods. Therefore, qualitative research was best served by adopting

[38] The book *Designing Social Inquiry: Scientific Inference in Qualitative Research* is widely known in the scientific literature as KKV, for the three authors, Gary King, Robert O. Keohane and Sidney Verba.

certain procedures from the quantitative approach. The authors argued further that all qualitative and quantitative researchers would benefit by more explicit attention to this logic in the course of designing research (King et al. 2004, 3).

On the other hand, critics of KKV found themselves in a position where they criticized many of the book's major contentions, while agreeing with some of the basic assumptions. Tarrow (2004, 178-179), for example, argued conclusively, as he criticized KKV:

> "[A]s quantitatively trained researchers shift to choice-theoretic models backed up by illustrative examples (often containing variables with different implicit metrics), the role of qualitative research grows more important." [For that reason,] "… a single-minded adherence to either quantitative or qualitative approaches straightjackets scientific progress. Whenever possible, we should use qualitative data to interpret quantitative findings, to get inside the processes underlying decision outcomes, and to investigate the reasons for the tipping points in historical time-series. We should also try to use different kinds of evidence together and in sequence and look for ways of triangulating different measures on the same research problem."

Similarly, Brady and Collier (2004, 7) argued that:

> "[W]e should seek a shared framework allowing researchers using diverse analytic techniques to develop evidence that is convincing to analysts of differing methodological persuasions. This larger body of mutually accepted evidence can, in turn, contribute to finding better answers to the substantive questions that drive social research".

Finally, McNabb (2004, 21) stated it in a more direct manner after discussing the differences between what he called positivist and post-positivist research approaches. He concluded that today, in the field of political science, there is a general agreement about the validity and appropriateness of many different research methods and research topics. Researchers are increasingly adopting an eclectic approach drawing on the particular strengths of the methods to compensate for the weaknesses by triangulating the findings. Triangulation refers to the corroboration of findings with distinct methods of data analysis.

The discussion above show the level of understanding researchers of both camps arrived to once they began to agree on the basic principles and the differences both approaches offered and the commonalities and advantages of such an approach. Of course, the

discussion is not fully ended; however pragmatism as an alternative approach has had a solid push from this discussion.

Based on the conclusion above, this study seeks to take advantage of the mixed-methods approach's strengths while at the same time minimizing its weaknesses or limitations, which are addressed at the end of this chapter. The research problem in this dissertation is approached through a singular case study as well as the application of triangulation to the findings through the use of qualitative and quantitative methods of data collection and evaluation (Flick 2004, 312-318; Pickel 2009). In doing that, this approach follows Pierce's (2008, 48) argument which stated that data triangulation could lead to stronger results, where one method dominated and the other took more of a secondary role. Therefore, this research project places emphasis on the qualitative methods of data evaluation and seeks to corroborate the findings with the quantitative analysis.

The research problem in this dissertation is better served by applying such an approach. First, because the nature of the problem addresses the interaction of two processes, which are progressing and interacting at the same time with one another and are dynamic and changing constantly. The case study method, which is elaborated on in more detail in the next section, is particularly apt in these singular cases where a process is being analyzed. Second, since the analysis is based on the observation of trends over a defined period of time, the evolution indicators in time-series analysis can be qualitatively substantiated. Lastly, since the study deals with hard-to-quantify concepts such as citizenship, any operationalization of such concepts can be, once again, substantiated with qualitative interpretations. The following subsections will describe in more detail the design of the research. What follows, however, is first a brief discussion on the case study method seeking to critically reflect the current state of the debate and substantiate the use of it in this research design.

4.2.1 The case study method

The case study method, as a research method, has been in use since the 1950s (McNabb 2004, 357), but has only established itself as a viable and widely accepted research tool in the last decades. According to George and Bennett (2004, 5-6), "only in the past three

decades have scholars formalized case study methods more completely and linked them to underlying arguments in the philosophy of science." This wide acceptance has been advanced by a general skepticism over the adequacy of quantitative methods and the concomitant inadequacy of formal standard regression models of analyzing complex phenomena. Gerring (2007, 3) summarized this argument as: complex phenomena, such as the kind non-experimental methods address, cannot be adequately framed within the parameters of standard regression models. He outlined several arising problems. The first problem may include arriving at an adequate specification of a causal model, given the plethora of models available. Second, another difficulty might be the identification of problems, which cannot always be corrected by instrumental variable technics. A further difficulty would concern extreme counterfactuals. This refers to the extrapolating or interpolating results from a general model, where the extrapolations extend beyond the observable data points. Lastly, other difficulties point to those posed by influential cases and the arbitrariness of standard significant tests as well as finding an appropriate estimator modeling temporal autocorrelations in pooled time-series datasets. Finally, there might be a problem of faulty data. In light of this, there is a need to provide a definition in order to bring clarity to the discussion.

Definition

Gerring (2007, 17) argued attempts at constructing a definition of case studies have been deficient. He highlighted that to talk about a case study might mean that the method is qualitative, N1, that the research is holistic –meaning that it is a comprehensive examination of the case—. Furthermore, it might mean that it utilizes a particular type of evidence, e.g. ethnographic, non-experimental, participant-observation, process tracing, historical, textual or field research. Similarly, it might also mean that it employs triangulation or that the research investigates the properties of a single observation. This plethora of application-led definitions coupled with the proliferation of synonyms for case studies, i.e. single unit, single subject, N1, single case, case-based, case control, case history, case method, within case, etc., makes it even more difficult to arrive towards a clear definition.

Nevertheless, regardless of the confusion in terminology, attempts to provide a definition of the case study method have been made. As suggested by the name, case studies analyze

cases, that is singular instances of a phenomenon, where the units of analysis or the subjects of the study could be, for example, people, nations, institutions, groups, decisions or policies (Buttolph et al. 2008). One of the most influential writings on the topic of case studies has been the work of Robert K. Yin. In the first edition of his book, *Case Study Research: Design and Methods* (1984), he defined the case study method as "a research strategy which attempts to examine a contemporary phenomenon in its real-life context, especially when the boundaries between phenomenon and context are not clearly evident." Moreover, the literature points towards a definition of the case study method as a method that employs intensive study of one or a few exemplary individuals, families, events, time periods, decisions or set of decisions, processes, programs, institutions, organizations, or even entire communities (Bennett 2004; George and Bennett 2004; Mc Nabb 2004; Buttolph 2008; Gerring 2007). These definitions advance towards a distinction among case studies based on the number of cases at the center of the analysis, i.e. object of study. That is, a case study may involve the analysis of one case or few cases. This is, as opposed to the nomenclature of small-N studies, which often defines N in terms of 50 cases and more.

Furthermore, case studies can be defined in terms of the type of the case to be analyzed. Stake (2000), for example, proposed three types of case studies. An instrumental case is one that provides insights into a case, and is not analyzed for any specific interest in the case itself. An intrinsic case is employed to access more or better information and understanding on the case. Ultimately, the subject case is expected to contribute to a greater understanding of a topic of interest (an example being a performance measurement). Finally, a collective case is one that compares and contrasts several cases, i.e. using the most-similar or most-different research designs.

Another example of definition is proposed by Bennett (2004), who also mentioned different kinds of case studies based on Arend Lijphart and Harry Eckstein's work. He explained that Interpretive or disciplined configurative studies use theoretical variables to provide historical explanations or particular cases. Similarly, he cited heuristic case studies which seek to generate new hypotheses inductively. Also, deviant case studies, which are those whose outcomes are not predicted or explained well by existing theories, can be useful in identifying new or left out variables, especially intervening variables. Finally, George and

Bennett (2004, 18) defined a case as an instance of a class of events, where an instance can be defined as in revolutions or any phenomenon of scientific interest. For example, the Cuban missile crisis would have been a historical instance. In turn, a class of events would have referred to categories such as deterrence, coercive diplomacy, crisis management, etc. In this sense, a case study is a well-defined aspect of a historical episode that the investigator selects for analysis, rather than a historical event itself.

Advantages

The use of a case study method has many comparative advantages. Among these we find that case studies are generally strong where statistical and formal models are weak. The method's strengths include having conceptual validity, i.e. detailed consideration of contextual factors and further refining concepts as opposed to entering into what Sartori (1970) once called "conceptual stretching". A second strength can be deriving new hypotheses, where case studies have powerful advantages in the heuristic identification of new or omitted variables and hypotheses through the study of deviant or outlier cases. Third, case studies can examine the operation of causal mechanisms in detail to examine the behavior of contextual and intervening variables in individual cases to make inferences on which causal mechanisms may have been at work. Fourth, case studies can be strong at testing theoretical claims that a variable is a necessary or sufficient condition for a certain outcome (George and Bennett 2004, 19-20). Fifth, case studies could be strong on developing historical explanations of particular cases, attaining high levels of construct validity and using contingent generalizations to model complex relationships (Bennett 2004, 19-21). Sixth, case studies can be suited to study complex causal relations such as equifinality (many paths have the same outcome), however, the trade-off is that conclusions are more contingent (George and Bennett 2004, 19-20). A further advantage is that case studies can generate singular predictions which no other theory may provide. Case studies can provide quite decisive evidence for or against a theory. They can be strong on confirming theories (Van Evera 1997, 53). Finally, according to Bennett (2004), a case study can contribute to test an extant theory in several ways. First, it can help generate new hypotheses. Second, it can help test existing hypotheses. Third, it can help generate a historical explanation of a particular case, i.e. a sequence of events that produce a particular outcome.

In recent years nonetheless, more and more scholars have tended to value the contributions to the accumulation of knowledge case study methods might provide. George and Bennett (2004) provided some evidence of the increased collaborative efforts of practitioners and developments towards the use of the case study method in combination with other methods of analysis. They highlighted the complementary nature of various methods furthered by scholars. Therefore, from the recent scholarly debate it is possible to conclude that, case studies, in a more general sense, but also single case studies, as in the particular case of this dissertation, have a lot to contribute to the general accumulation of knowledge in the form of empirical inquiry[39].

Application to the Bolivian case

In light of the above discussion, this study is framed within a theory-oriented case study method and is defined as an intensive study of one exemplary case, which is characterized by representing complex phenomena. The case study approaches the analysis as an instrumental and intrinsic study where the Bolivian case of decentralization is the object of study. This study seeks to provide insights into the case by accessing more and improved information to better understand, what the possible effects of the decentralization process on the deepening of the democracy in the country are.

Ultimately, the study of the effects decentralization has on the Bolivian democratic deepening process is expected to contribute to a greater understanding of the linkage and/or relationship between these two processes. This approach also allows the problem to be approached as a deviant or most likely type of case study (Bennett 2004, 29). The logic for this is that a case (in this case a deviant case) must likely fit the theory if one is to have confidence in the theory's validity, because the failure of a theory to adequately explain a case undermines the theory itself. In addition, this design allows for the heuristic generation of possible new hypotheses by looking at the problem, first, in a deductive manner by taking the theoretical propositions as a research guide to analyze the case and, second, in an

[39] For more on this discussion see also Bennett 2004; Bennett and Elman 2006; Brady and Collier 2004; Brady, Collier and Seawright 2006; Buttolph 2008; King, Keohane and Verba 2004.

inductive manner whereby the particulars of the case are analyzed in order to formulate a hypotheses, with which it would be possible to test the theoretical propositions. A configurative study such as this combines deduction and induction testing on existing assumptions and through the case analysis new assumptions can be generated (Muno 2009). Finally, the design allowed for the identification and perhaps even explanation of intervening variables that might have been missed by the theory.

The theory-oriented case study method of analysis is most suited to test the widely formulated stylized theoretical proposition that decentralization leads to the deepening of the democratic process. According to Muno (2009, 122), such an approach can lead to the concrete and adequate complexity of the explanation of contingent generalizations, i.e. those that can be deemed as generalizations but are dependent on the empirical base of the study. Furthermore, such an approach allows the intensive examination of an object of study, such as the Bolivian decentralization process, by taking into account the complex contextual factors surrounding the case. Moreover, the case study method allows the construction of an analytical framework to apply critical analysis and subjective interpretation of the case in question. Closely examining these factors provides a better understanding of this unique case. Lastly, this method of evaluation is highly suited for confirming or infirming the theories in use. The Bolivian case is a most-likely case which is useful to test the theory on. The disadvantages of case studies could be addressed with rigorous adherence to the method's procedures, and methodical and careful work. The disadvantages and limitation of this approach is dealt with in section 5.5 of this chapter.

4.2.2 Case selection

The Bolivian case was selected on the basis of the critical or deviant case rationale, because of its uniqueness and its potential for highlighting other variables that may have been under or overestimated. The bases on which to select the study of the Bolivian decentralization process are manifold. First of all, Bolivia's experience with decentralization was (and still is) unique, at least among other countries' experiences with decentralization in the region (UCLG 2008, 172). Other decentralizing efforts around the region focused more on the conventional objectives, such as efficiency, state reform, public goods provision, distribution of state funds and participation as well, but primarily concentrated on the

election of local authorities. Bolivia, from the point of view of this study, is the critical case because the decentralization program that was implemented placed significant emphasis on the level of citizen participation in the political process by making the individual citizen and civil society groups the *subjects* of the process. This characteristic is best expressed by the name given to the process, namely Popular Participation, meaning that the process was dependent on the participation of the subjects. Decentralization especially sought to directly involve citizens in the political and social dimensions of government and policy-making. A further objective was to prioritize the role of civil society within the created political spaces. Furthermore, political participation was strongly associated with the development or the deepening of democracy. Bolivia's decentralization reached deep into the municipal level of government and made these local governments (as well as their citizens) important players in the decision-making process.

In contrast, while many decentralization efforts in the region also aspired to incentivizing more participation of citizens, the principal objectives were the reform of the state and the achievement of development –much in tune with the view of the international development agencies. In some countries we can find some pioneering examples of efforts for citizen participation, for instance Brazil's efforts to implement participatory budgeting as well as later efforts in Peru and Ecuador (UCGL 2008). However, the Bolivian case expressly sought to expand the level of participation in the political dimension and not only in the areas of finance, development or public services. These factors are worth studying because they seem to squarely fit the theoretical propositions of decentralization, as well as those of the deepening of the democratic process, and thus lend themselves to attempt the confirmation or challenge of the theory.

4.3 Research design and methods of data collection

This section presents the research design and the data collection methods used in this dissertation. As a departing point, a literature review was conducted on the specific subject of the linkage between decentralization and democratic deepening. However, since the body of literature in this debate was rather small, the debates on decentralization and the deepening of democracy were also identified, reviewed and explored. The literature review

facilitated a better understanding for the decentralization and democratic deepening processes as well as their interrelation. It also contributed to a better understanding of the theoretical discussion, of the significant concepts within the debates and of the processes themselves. Finally, the review was useful for deductively identifying two of the three concepts that make up the conceptual framework, institutions –creation and reform—and participation. The third concept, citizenship, was developed in an inductive manner from the qualitative part of the study. In addition, the research design sought to directly address the questions posed in the introduction of the study: while it is logical to think that decentralization has effects on the democratic process, i.e. deepening the democracy, what is the nature of those effects? And how has decentralization shaped the democratic deepening process in Bolivia? These research questions led to the formulation of three hypotheses, which sought to provide a plausible explanation.

Furthermore, the study focused on the period of implementation of the Bolivian decentralization process. It includes the year of introduction of decentralization in 1994 and the year where the decentralization process as such ended in 2005, which was the year Evo Morales came into power and began the process of reform of decentralization. The study focuses only on this period because with the advent of the current Morales government the decentralization process began its transformation into an autonomy process which is different from the decentralization process that was pursued during the years already mentioned. Lastly, the isolation of a period where decentralization plays a central role in the democratic deepening process makes it possible to observe trends, which are pivotal for the study's results and conclusions.

Also, in order to achieve the objectives outlined in Chapter I and III, and answer the proposed questions this study adopted a mixed-methods research design, which combined quantitative and qualitative methods of data analysis and triangulation of results. The quantitative part analyzed, through descriptive statistical tools, raw electoral and survey data. The analysis sought to uncover significant trends over the time frame of the study in order to show the evolution of the process. The qualitative part of the study included an in-depth and systematic document analysis and the analysis of data gained through qualitative expert interviews. The qualitative analysis sought to amplify the depth of the processes.

Finally, the design also aimed at producing viable, testable and verifiable results through the triangulation of results. This course of action has been deemed a central factor in the mixed-methods design debate (Pickel 2009; Tashakkori and Teddlie 2008). Flick (2004) defined triangulation as "the use of different perspectives to study an object or more generally: for the answering of research questions (author's own translation)."[40] Another scholar, Pickel (2009, 521-522), explained that in a triangulation, data from a quantitative inquiry (e.g. aggregated or individual data) as well as a qualitative inquiry (e.g. interviews) could be combined. Decisive was, however, the concentration of all methods of data analysis and the following analysis on the concrete research subject. Furthermore, she suggested the use of different combinations. In her model, Pickel gave the alternative to use parallel quantitative and qualitative inquiries as well as a sequential use, where either one method explained the other method. That meant that, in the case the researcher used explorative interviews, for example, these results could be used to formulate standardized surveys for a larger sample population. In the same manner, if the researcher analyzed aggregate or individual data, this could be used to formulate questions for qualitative interviews that expanded or deepened the results of the interpretations.

4.3.1 Methods for data collection

The methods of data collection used in this study were of qualitative and quantitative nature, with the qualitative data taking a more prominent role. Each of the collection methods is described in detail below following the logic of order of importance. Since the study places emphasis on qualitative analysis, the qualitative methods of data collection, document analysis and expert interviews, are described first. Next follows the description of the quantitative methods of data collection, i.e. the statistical descriptive analysis of electoral and survey data. In addition, some supplementary sources of information and data are also mentioned.

Document analysis: tracing the process

[40] "die Einnahme unterschiedlicher Perspektiven auf einen untersuchten Gegenstand oder allgemeiner: bei der Beantwortung von Forschungsfragen".

The aim of the theory-driven document analysis was to carefully and systematically evaluate the written running formal record (Buttolph et al.. 2008, McNabb 2004) of the Bolivian decentralization process to gain direct insight into this process' objectives, procedures and implementation and the effects it might have on the democratic deepening. The analysis focused on the body of laws used to implement such a process, which was made available by the Popular Participation Ministry in Bolivia through the ministry's internet website in the form of a compendium. This compendium covered the period of analysis of this study from 1994 to 2005. The text corpus comprised all the decentralization-relevant legislation produced between 1993 and 2005 and was compiled into a two-part electronically available database: the *Compendio Normativo Sobre la Descentralización*. This compendium was published in February 2005 by the then Ministry Without Charter Responsible for Popular Participation[41] and contained, in a little more than 964 pages, all the legislation produced in the last decade pertaining to the decentralization process. The compendium included 120 laws, decrees and resolutions divided into 17 areas of competency: General Laws of Municipal Application, Organization of the Executive Branch, Municipal Legislation, Health, Education, Governmental Administration and Control, Administrative Career, Municipal Budget, Municipal Administration of Goods and Services, Urban Property Law, Decentralization, Popular Participation, Participation and Social Control, National Dialogue, Political Administrative Units, Basic Sanitation, and Gender Equality. Lastly, it was compiled from the different governmental agencies and ministries that worked in the implementation of the decentralization. These sources included the Ministry of Communications, the Bolivian Congress, the associative municipal system *En La Red* and the Association of Women Council Members of Bolivia (ACOBOL) as well as the official Bolivian government printing office (*Gaceta Oficial*). A second compendium, namely the *Compendio de Leyes: Legislación Boliviana desde 1825 a 2009*, published in 2009 by the office of the Vice-president was a second source. This compendium contained all Bolivian laws since 1825. This database complemented the first one, whenever necessary. In that sense the document sources are highly traceable and the body of laws passed to implement the decentralization process gave a concise picture of how should the process have looked like –which may not necessarily be the reality because

[41] This Vice-ministry (*Ministerio Sin Cartera Responsible por la Descentralizacion*) disappeared with the coming of Evo Morales into office.

of the many difficulties of implementing the laws– as well as what were the changes over time and who were affected by them.

Expert interviews

The expert interviews were used as evidential sources. They concentrated on political leaders, leader activists within civil society and government officials, in the three major Bolivian cities (La Paz, Cochabamba and Santa Cruz). The aim of the interviews, for this particular study, was to gain information about the attitudes and opinions of such actors on the effects of the decentralization process on citizen political participation, citizenship and the institutions that were relevant. In addition, the interviews allowed the measurement of attitudinal or behavioral aspects of society's actors, the government's attitudes and its performance, as well as how all these changed over time. Lastly, the interviews allowed the capture of data within the context of the situation and shape the interview according to the interviewee.

The expert interviews were conducted within the framework of triangulation to primarily corroborate the results of the document and survey data analysis. Expert interviews were meant to be a source of empirical evidence and thus, in this case, a complementary source of data and information which can contribute to the validation of the hypothesis. Moreover, expert interviews could help confirm my understanding of documentary material, fill gaps or clarify grey areas, obtain quotes, and capture and describe a particular process, such as the decentralization efforts in Bolivia (Pierce 2008, 119). At the same time, the interviews helped evaluate the process that was seen as dynamic and evolving as well as the people knowledgeable and/or involved (in this case experts, some of which, participated in the process), who are able to give insights on the process.

The interviews were carried out from April to November 2008. A total of nineteen Bolivian experts were interviewed on the issue of decentralization, its effects on the deepening of democracy, political participation, citizenship and democratic institutions. The group of experts was rather small and the background of each expert was a fusion between government, consultancy and academic work. Most, if not all, experts had various degrees

of experience working in the government (at every level of government). Many of them were intimately involved in the design and implementation of the decentralization process and others took part in the implementation phase alone. Further, other experts were involved at the legislative level, while others observed, evaluated or analyzed the process through their work for the international cooperation, academia or as private consultants. A large number of them maintained a strong connection to international cooperation organizations such as the Friedrich Ebert Foundation, US Aid or the German Development Agency, GTZ (now renamed GIZ). These organizations produced a significant amount of literature, reports, evaluations, and brochures, with the help of these experts.

Initially, a list of forty experts was developed based on the literature consulted. Later on, this list was refined, primarily by using the snow-ball method, which was very useful to identify other potential and more relevant interviewees not listed before. At the same time, the names of some potential interviewees were removed from the list due to time constraints and the fact that they were no longer relevant for the purpose of this study.

The interviews were approached with a set of qualitative, open, semi-structured interview questions, which relied on a limited number of topic-related, pre-determined and alternate supplementary questions. Thus, the questions had a basic template or structure but could be adapted during the interview, if needed, by adding or dropping supplementary questions. The questions were developed based on the theory and followed the basic structure; however additional questions developed during the interview process in an intrinsic manner. Such approach was designed to have a question and discussion format where each party, the interviewer and the interviewee, would have their own agendas (Pierce 2008). The questionnaire had five major levels of abstraction to the topic, from the most general to more detailed, i.e. introduction, decentralization process, political participation, institutionalization and democracy. The general or introductory stage was the first and was used to establish the mood, the direction and goals of the interview and to introduce the topic. The following stages were used to delve into the details of the topics. The questionnaire was made up of thirty-seven questions, of which fifteen were basic core questions. All interviewees were asked the core questions with least variation possible. This provided a basis for comparison. Depending on the mood of the interview, the follow-up

questions would be asked to clarify or seek more detail. I designed the length of the interview to be between half an hour to a maximum of 2 hours. Most interviews lasted around between forty to fifty minutes (Pierce 2008, 125). Each interview was electronically recorded in 'wav' format in Spanish.

For the purpose of establishing the highest level of credibility, the aim, which was achieved each time, was to establish the depth of knowledge on the topic of the interviewer so as to have credibility in front of the expert. A further objective was to establish a conversation environment in which the expert would feel at ease expressing his or her ideas without the fear that the counterpart did not understand the complexities of the topic. Finally, in an effort to address any ethical issues relating to the interview process, the interviews relied on the principle of informed consent. At the beginning of each interview, each interviewee was asked for permission to digitally record the interview and to use attributable quotes for the purposes of the study. All interviewees agreed to give a verbal permission to use quotes and to digitally record the interviews. The need to keep the names of the interviewees anonymous did not arise. Furthermore, the interviews were codified by the author and only the author had access to the data.

Electoral data

The raw data sets were obtained from the National Electoral Court and included data on election results on municipal (1999 and 2004) as well as general elections (1997, 2002, 2005). Each set included a disaggregation of the data from the national, departmental to the municipal levels and included the political parties and civil society organizations that took part in each election. Additionally, the data presented the raw values for the number of votes in favor of each organization, the number of registered voters, and the number of valid, null and blank votes. The descriptive analysis used the voter turnout score, which was defined as the number of votes emitted divided by the number of registered voters. Emitted votes included those votes that were null and blank, and the number of registered voters includes the adult population older than eighteen years of age. This score represented the percentage of people, from the voting population that actually participated in the electoral process. The score did not make a distinction between those people whose votes were valid or invalid, important was that they voted or participated by casting a vote.

Furthermore, the data obtained was of high quality and trustworthy. The reason for this confidence on the data was due to the fact that electoral results in Bolivia have been regularly observed by international organizations such as the European Union (EU), the United Nations (UN), Organization of American States (OAS), the Carter Foundation, as well as national organizations and the free press and they have been largely found to be free and fair elections. However, as a matter of cross-checking the data was compared with the freely available database of voter turnout from the International Institute for Democracy and Electoral Assistance (IDEA). The comparison did not reveal much significant difference, but of course, it might be that IDEA partly or entirely also relied on the INE for its data on Bolivian elections. This could not be confirmed, since IDEA only lists on its website general descriptors of its sources.

In similar fashion, the data obtained from the statistics office was freely available for download in the agency's website. In specific terms, socio-demographic data was used, on population older than eighteen years of age, disaggregated to the municipal level, which was available mainly based on the 1991 and 2001 census. This provided a way to control the number of registered voters. This data was also trustworthy because of the transparency it has been produced with. Granted the INE was (still is) a governmental institution which produced statistics, in its major part, for the use of government institutions, the institution itself seemed to be relatively independent and seemed to be an above average job at producing and disseminating statistical data and documents for general use.

Survey of public opinion

In relations to the surveys on public opinion, the Latinobarometro and the Vanderbilt University's LAPOP database was used. According to Dr. Marta Lagos, the founder, the Latinobarometro survey was (and still is) an annual public opinion survey, since 1995, that covers 19,000 interviews in eighteen Latin American countries representing more than 400 million inhabitants. The survey observed the development of the region's democracies, the economies as well as the societies using indicators of opinions, attitudes, behavior and values. Experts from the main comparative studies of public opinion such as the World

Values Survey, Eurobarometer, and the National Election Study, were involved in the design of the questionnaire along with important political scientists interested in comparative politics and democratization such as Seymour Martin Lipset, Hans-Dieter Klingemann, Ronald Inglehart, and Juan Linz. For the specific case of Bolivia, the survey used modified probabilistic samples designed to represent the entire adult population in urban as well as rural areas at national as well as local levels. The data on Bolivia was freely available for the years 1995, 1996, 1997, 1998, 2000, 2001, 2002, 2003, 2004, 2005, 2006, and 2007 in Latinobarometro's website. This data was analyzed with the help of statistical packages such as STATA and Excel. The data was useful to reveal significant trends along the timeframe under observation, on the relevant variables of the dissertation. The survey represented the general opinion of the population. The surveys were carried in a manner that all nine departments of the national Bolivian territory, La Paz, Santa Cruz, Cochabamba, Oruro, Chuquisaca, Potosi, Pando, Tarija and Beni were covered. This yields a possibility of generating a municipal, departmental as well as a national picture. In particular, the following variables were used to address the relevant issues of the study, democratic institutions, political participation and citizenship: p11, p9, sp22, p39st, p73st, p47st, p18st, p44st, p13st, bp16a, s11, s15, p25na, p39sta, p91sta, bp16b, s6, p25nb, p39stb, p91stb, p17, p16, sp24, sp22, p19bd, p18na, p8sta, p75sta, p51sta, p82sta, p32, sp38, sp35, p34st, p46std, p67std, p56a, np57b, p58std, p44es3, p56g, sp57, np57i, p58ste, p44es2, p71stc, p65a, p68a, sp55a, p59sta, p48stb, p79sta, p44es5, p72stb, p64b, p67b, sp60b, sp54b, p58stb, p79sta, p71sta, p64c, p67c, sp60c, sp54c, p58stc, p79nb, p71stb, p65b, p68b, sp55b, p59stb, p72stf, p65d, p68c, sp55c, p59stc, p48std, p72std, p74a, sp70a, sp61a, p66sta, p60sta, p46sta, p67sta, p74sta, p74b, sp70b, sp61b, p66stb, p60stb, p46stb, p67stb, p74stb, p74c, sp70c, sp61c, p66stc, p60stc, p46stc, p67stc, p74stc.

The advantage of using Latinobarometro data was the fact that it was (and still is) a widely used survey that enjoys a reasonable amount of validity and reliability in the academic community. At the same time, however, it is necessary to acknowledge that the survey has its critics, of whom along with their arguments the author of this study is well aware of. For example, Mitchell 2005 generally refers to problems of surveying work in the developing world. He argues that in Latin America, as in much of the developing world, the lack of experience in producing high reliability surveys is a major obstacle. The UNDP (2004, 191)

is more specific about Latinobarometro. It argues that the Latinobarometro has been guilty of inducing some type of bias by concentrating on the urban areas and on non-poor population. However, the organization has been able to address this weakness in the newer surveys by making the surveys statistically more representative.

The LAPOP project has been conducing country surveys since the 1970s, according to the project's founder, Dr. Mitchel Seligson. LAPOP makes use of systematically pre-tested in-country questionnaires which enable experimental treatments using probability samples that are designed to ensure representative samples at the national and subnational levels. For the particular surveys this study used, the participants were voting-age adults, interviewed face to face in their households. These surveys conveyed the attitudes or beliefs of Bolivians on political culture and democracy in Bolivia by asking questions rather than directly observing their behavior. In particular the following variables were used to observe the relevant issues of the study, democratic institutions, political participation and citizenship: citizen participation in municipal assemblies, in the formulation of the annual operative plan, in civil society organizations, in protests, in community meetings, and in education related meetings: np1, np1a, np1, prot2, prot1, prot1, bolprot3, prot3, cp5, cp5d, cp6, cp7, cp10, cp14, bolcp14, vb1, vb2, vbprs02, np4, d2, e5, aoj3, aoj3(vic1).

The data on Bolivia was available in two formats. One format was print or digital publications, which covered the years 1998, 2000, 2002, 2003, 2004, 2006, 2008, and 2010. The publications included survey data, graphs and text. The other format was in the form of raw data, which covered the years 2004, 2006, 2008 and 2010. This data was analyzed with the help of statistical packages such as STATA and Excel. The analysis relied on both formats to extract a picture on the relevant variables of the dissertation. The reach of the surveys were to the household level and representative to the departmental as well as national levels. They were carried out in all nine departments of the national Bolivian territory, La Paz, Santa Cruz, Cochabamba, Oruro, Chuquisaca, Potosi, Pando, Tarija and Beni. The national coverage of the survey as well as the person-to-person interviews yielded a possibility of generating a municipal, departmental as well as a national picture. In addition, the questions were available in three of the major languages spoken in Bolivia,

Spanish, Quechua and Aymara, which significantly reduced potential problems of understanding the questionnaires.

One advantage of using LAPOP's surveys has been that, similar to the Latinobarometro, the data generated had (and still has) a large degree of validity and reliability, since this project has been an effort that has been refining itself for quite some time focusing on a number of Latin American countries. Additionally, the questionnaires have been developed by renowned professionals. However, the author of this study does acknowledge that the survey had (and still has) its critics, which are well known to the author. Mitchell's (2005) critics also apply to LAPOP's work. Lastly, it is important to remember that the data represents only a partial measure of a complex reality.

4.4 Data analysis and synthesis

The analysis and synthesis of the data was conducted in the following manner. The qualitative part was divided in two parts, the document analysis on the one side and the evaluation of the expert interviews on the other. Regarding the document analysis, the method of analysis used was hermeneutical process tracing, which seeks to explain as well as interpret the data analyzed. At the same time the analysis focused on description following the logic Collier (2011, 824) outlined:

> "As a tool of causal inference, process tracing focuses on the unfolding of events or situations *over time*. Yet grasping this unfolding is impossible if one cannot adequately describe an event or situation *at one point in time*. Hence, the *descriptive* component of process tracing begins not with observing change or sequence, but rather with taking good snapshots at a series of specific moments. To characterize a process, we must be able to characterize key steps in the process, which in turn permits good analysis of change and sequence."

Therefore, the analysis focused on distinctive points in time, i.e. causal-process observations or CPOs, all throughout the time frame given, primarily including the time at which the laws were passed. The aim was to include into the consideration the political and cultural environmental influences and thus achieve a level of descriptive inference (Mc Nabb 2004). The analysis identified mechanism CPOs (Collier, David and Seawright 2004; Mahoney 2010). Mechanism CPOs provided information about an intervening event

expected by the theory, which built a chain of events. These CPOs were useful to establish plausibility in the search of mechanisms that might have led to hypothesized outcomes (Brady, Collier and Seawright 2006; Mahoney 2010, 125-130).

The purpose of the analysis was to provide a careful outline of how the process has been taking place and how did it affect the system of government, its structure and the democratic process. Each piece of legislation represented a separate fragment of evidence or CPO, non-comparable amongst each other (Gerring 2006), within a long multi-causal chain of events which shed light on a series of related outcomes, which at the same time, highlighted the functioning of the process and the consequences it provoked.

The steps taken were many-fold. First, the laws were differentiated in three types of text corpora which were called, primary, secondary and tertiary laws. The primary set of text included laws that provided the legal framework in which the decentralization program was to take place. The secondary set of legal texts included related laws and Supreme Decrees issued by the Executive. These texts usually set the norms and regulations needed to amend, modify or further define the framework laws in the primary set. Examples of these texts are: Supreme Decree No. 23951 denominated Regulation for the Curricular Administration Structure, which sets up the norms and structure of curricular administration in the Law of Education Reform or Supreme Decree No. 25060 denominated Organic Structure of Departmental Prefectures, which mainly describes the institutional departmental government structure or Law No. 1702 denominated Law of Modifications to Law No. 1551 (LPP), which amends the Law of Popular Participation. Finally, the tertiary corpus of texts consisted of Supreme Decrees, issued by the Executive as well as Ministerial Resolutions, issued by particular ministries. These texts further detailed the process. The Supreme Decrees, in this corpus, often further defined or modified particular institutions within an area of decentralization as well as defining the organization and functioning of such institutions. The Ministerial Resolutions were aimed at regulating, stream lining or amending the process within a particular ministry.

The analysis of the text was undertaken in three phases, reflecting the differentiation made between corpora. The first phase corresponded to the analysis of the primary corpus of

laws, the second phase to the secondary set and the third phase to the tertiary set. The analysis resulted in an inductive process of criteria development which the study used to compare and validate the criteria developed through the theoretical approach. In this sense, this analysis was useful to triangulate the empirical evidence as well as the analytic criteria. Moreover, the supporting evidence was systematically cross-checked thus adding to the robustness of the results by the triangulation of distinct yet mutually reinforcing sets of evidence.

Regarding the expert interviews, the digitally recorded data was simultaneously transcribed and translated. Additionally, the answers were introduced into a data summary table, which was consistent with the conceptual framework and evaluated in an Excel matrix. This matrix had a horizontal axis which listed all the questions –in this case categories—used in the interviews and a vertical axis where the interviewees were listed. Since no interviewee objected to being cited by name on the text, a list of them was included by name along this axis. These tables provided a consistent record of findings regarding all interviewees' responses across all categories which were all directly related to the research question. Finally, these tables represented an essential precursor to interpretation, where all individual interviewees and the overall group can be analyzed from a cross-case analysis perspective. The analysis of the answers went through two rounds of reduction to extract the main concepts and meanings. Also, a set of quotes was extracted to be incorporated in the study, in the presentation of the data as well as the interpretation of it. This system facilitated two things, the overview of all the answers per interviewee and the comparison across answers.

In the quantitative part of the analysis, descriptive statistical analysis was conducted on the electoral and opinion survey data. The data was differentiated between electoral and non-electoral political participation, with the non-electoral part focusing only on the survey data. The analysis of the electoral political participation focused on the revealing of trends during the period of analysis over the five electoral events 1997, 1999, 2002, 2004, and 2005. In order to reveal such trends, the initial part of the analysis focused on observing the percentage of participation in each municipality over a period of time. In a second approach, the analysis focused on the participation in each elections year per individual

municipality. These two approaches revealed different types of patterns. Lastly, the data was analyzed by departmental and national level of elections. Both of these exercises revealed a slight improvement in elections, but almost too weak to attribute it to the decentralization process.

The analysis of the opinion survey applied the multi-level approach, however only taking into account the national and the municipal levels. The departmental level is not included because the data mainly reflects the opinions at national as well as local levels. Furthermore, the analysis focused on the types of institutions where participation could take place, that is governmental institutions and civil society institutionalized organizations. The particular institutions at the local level are: municipal assembly, participative budget planning institution, community *cabildos*, school junta, religious group, professional and association. At the national level, these institutions are: political parties, social movements, demonstrations or public protests.

Finally, for the analysis on citizenship, the analysis focused on social citizenship, however not leaving totally aside political and civic citizenship. The analysis followed the multi-level approach which considered the national as well as the municipal level. Once again, the departmental level was not taken into account due to the data mainly reflecting individual opinion, which could be generalized to the national level due to its representative quality. Furthermore, the analysis considered two types of citizenships, i.e. individual and group citizenship. Lastly, the analysis concentrated on three dimensions which included the creation, exercise and expansion of citizenship. The parameters for measure included the formal certification of citizenship for civil society organizations; the participation in elections; the building of citizenship skills such as being demanding and conscious of rights, the perception of equality before the law, following the law, convincing others of political opinion; take part in demonstrations, road blockades, in the participative mechanisms introduced by the government, in community institutions.

4.5 Limitations of the Study

This study has been designed with the aim to minimize the limitations that might arise as a result of the research design and the methods of evaluation applied. One way in which the limitations of this case study are addressed is by adopting the Pragmatism paradigm, which, above all, emphasizes the gains that arise with the combination of quantitative and qualitative inquiries. The principal argument proposes that quantitative and qualitative methods of evaluation strengthen each other's weaknesses through the use of triangulation in the evaluation of data.

There are a series of observations that scholars have made to the adoption of a multi-method approach and to case studies. In particular, the combination of what has been seen as two separate and incompatible approaches to research, quantitative and qualitative approaches. First, concerning the approach to reality and the creation of knowledge, many scholars have pointed to the ontological differences between the positivist and the constructivist approaches. These scholars argue that these differences are irreconcilable. On the one side, positivists posit that there is only one reality, while constructivists posit that there are multiple realities and they are constructed. Second, a further weakness emanates from the value-ladenness of inquiry. While positivists believe inquiry can be free of values, constructivists argue the contrary. Third, the assumption that the potential limitations of each method will cancel each other out and that the benefits will in the end compound. Last, the replication of the study is very difficult due to many factors such as, for example, cost, particularity of the object of study and even geography.

As expressed in section 4.2 already, the proponents of the pragmatist approach argued that the nature of this critic is resolved with the contemplation that, a) reality is partly constructed; b) all observation are value-ladenned and c) that the benefits of combining qualitative and quantitative methods of data evaluation will tend to cancel each other out. This study, thus, takes this line of logic and adopts it knowing fully well that this discussion will continue on.

In addition to the general limitations present in a mixed-method approach, one which applies quantitative as well as qualitative inquiries, this study was affected by limitations stemming from the case study method, the document analysis with process tracing method, the survey method and the expert interviews method.

During the 1980s and 1990s, there have been a number of scholars who placed doubt on the merits of case studies as a research tool[42]. Detractors pointed out to the kind of knowledge case studies might generate. One critique pointed to the case selection bias built into the method. Since there is, most of the time, one case, the researcher selects the case on the dependent variable. In this regard, George and Bennett (2004, 23) argued that selecting on the dependent variable was appropriate in some cases and in others not. Another potential problem was that of spuriousness. This problem, also known as the effects of omitted variables, can be controlled by selecting cases with extreme values or crucial cases. Crucial or deviant cases can contribute to the further refinement, confirmation or even to the extension of a theoretical proposition, one that fits the case. This might lead to the impugnation or the support of such theory (Van Evera 1997).

A further problem is what scholars like to cite as sociologist Theda Skocpol's observations about case studies having "too many variables and not enough cases" leading the results to indeterminacy or the inability to exclude all but one explanation (Bennett 2004; Buttolph et al.., 2008, 150). Furthermore, Bennett suggests the inability to render judgment on the frequency or representativeness of particular cases and the weakness of estimating the average causal weight of variables, to which he promptly replies that these limitations correspond "almost exactly" to the comparative advantages of statistical methods (Bennett 2004, 19-21). However, one of the most frequently expressed critiques is the problem of generalization. Detractors point out, not without reason, that no generalizations can be raised from a single case study or a study of a few cases. In particular, a single case study focuses on one case which has its own particularities and since there are no other cases, differences do not cancel out. Finally, critics tend to doubt the inferential validity drawn from case studies.

[42] For an illustrative sample of this debate, see *Rethinking social inquiry: Diverse tools, shared standards* by Henry E. Brady and David Collier, eds. 2004, and *Designing Social Inquiry: Scientific Inference in Qualitative Research* by Gary King, Rober Keohane and Sidney Verba. 1994.

The application of process tracing to the analysis of the legal body of formal documents was subject to the most general observations made to this method. For one, as the literature denotes, one can identify an infinite number of intervening causal steps between any independent and dependent variable turning the approach to infinite regress. In the same manner, process tracing is unable to identify which one of the intervening factors is a true link (Mahoney 2010, 123). The manner in which this study deals with these observations follows the causal-process observation logic or CPO. The links identified by process tracing are sequential observations within a particular historical setting which indicate strong relationships between factors within a process. In this case, the first and second arguments became a source of strength because the number of observations was not infinite but many, which led to a strong case of relationship.

Moreover, while the LAPOP and Latinobarometro surveys were adopted with a certain level of confidence, the surveys have a range of limitations. Primarily, the design can be a challenge. Some of those challenges can include the design of appropriately formulated questions, appropriate answer recording methods, delivery of questions, sequence of questions, taking appropriate account of Bolivian idiosyncrasies, language problems, etc. The LAPOP and Latinobarometro projects have described their respective methodology on their websites, leading to transparency. The projects have come to perfect their methods and questionnaires over the years as well as the conduction of prior tests and relying on the input of known experts. Therefore, because of the amount of resources devoted to the projects, the amount of work and the experience gathered over the years, this study confidently decided to adopt the survey for the analysis.

To the contrary, the adoption of expert interviews for this study was a learning experience for the author. The limitations of using interviews were manifold. First, the use of open ended questions was not without problems. This method had the risk of not being able to obtain the relevant information the study required. In addition, the inexperience of the interviewer could have played an important role in not achieving the objectives set. Finally, the language could have been an obstacle at the time of translating and transcribing the questions. However, because it was successfully established a controlled and productive

mood from the start of every interview, the interview was able to gain valuable information on the questions asked. The interviewee played the role of the expert on the field and thus achieved a degree of comfort with the interview. This had the effect of relaxing the mood of the interview and the potential to get better and more insightful information. The interviewees were able to express his or her own interpretation based on his or her own point of views (Rochefort 2006). Finally, the language was not a major issue, as it usually could be, because the author has native fluency in both, Spanish and English.

Finally, the control of other relevant variables presented a limitation. Because decentralization was conceived as a process and this process was theorized to have effects on another process, the chances that other variables were relevant were high. These variables would have been, for example, the level of education, income, social, economic and political inequality, poverty, or the neoliberal policies or even regional differences, just to name a few. To ameliorate this problem, the study first assumed, based on the Bolivian case, that decentralization was a result of democratization. This assumption removed from the table of consideration the problem of which came first, decentralization or democratization. Even though the aim in this study was not to seek for causality, by defining democracy as dependent on decentralization the study established a direction on the relationship. This was a direction that could be followed without having to worry about the independence of each factor. In addition, the study aims at controlling other relevant variables insofar as the use of the case study method allows. Since the study's aim is theory testing and hypothesis generating, the relationship among variables is less relevant. However, the consideration of potential intervening variables in the interpretation of the results was pivotal for the general results of the study. Finally, the study addressed the importance of other variables insofar as it emphasized the first factor, the creation and reform of institutions. Because this factor was introduced through legislation, it basically laid out the direction of cause and effect. The use of legislation to influence the Bolivian system of government was a significant step that affected the other two factors under consideration.

4.6 Summary

This chapter provided a detailed description of this study's research design and methodology. To begin with, it was specified that the study adopted a pragmatic stance in order to address the research question. It was argued that this approach allowed the study to employ a mixed-methods approach where it could employ a combination of qualitative and quantitative methods of data evaluation. In addition, the chapter discussed the advantages of the approach and the manner in which the triangulation of the data results was conducted. In similar fashion, the chapter presented the rationale for the use of the case study method and as to why and how the Bolivian case was treated as a critical case type of study.

Furthermore, the chapter provided a detailed explanation of the methods of data collection. In first place, it provided an equally detailed description of the document analysis and the expert interviews I conducted in Bolivia. Second, it elaborated on the qualitative part, providing a detail description on the gathering and the work with the electoral and the public opinion survey data. Finally, and as a matter of disclosure, the chapter elaborated on the different limitations the study presented.

Chapter V

The Bolivian Decentralization Process

and

Institutions

5.1 Introduction

Figure 5.1 shows a word cloud created from the text of the Law of Popular Participation. This law is considered to be the basic expression of the decentralization process in Bolivia because it embodies the approach to decentralization, i.e. the participation of citizens in the political arena and because it provides the basic structure of the process. Word clouds are a way to highlight the emphasis of words on some particular bodies of text. In that sense, they show the relative importance of each of the words as an indication of the text's main ideas. The size of each word is dependent on how often they appear in the body of the text; i.e. the larger the word the more frequent it is mentioned. Figure 5.1 portrays the relative importance of the words *participación, popular, ley, organizaciones, territoriales, base,*

gobiernos, municipales, jurisdicción, and *ejecutivo*, (respectively: participation, popular, law, organizations, territorial, base, governments, municipal, jurisdiction, and executive). These are the words that have the largest size and as such are more pronounced. The emphasis and the size on these words would lead to the tentative conclusion that the LPP placed particular emphasis on the institutions, normative, governmental and nongovernmental as well as participation, as the articulating units –since it is an applicable law—of implementation within the process.

Figure 5.1 Word cloud of the law of popular participation

Source: Own elaboration with Wordle

This chapter presents the empirical results and key trends emerging from the data analysis of documents and expert interviews. The analysis was guided by the proposition that the Bolivian decentralization process contributed to the deepening of the democratic system by reforming existing as well as creating new institutions. These results stem from the application of in-depth document analysis on the entire legal framework of decentralization. This corpus of documents was generated within the period of analysis (1994 to 2005). Likewise, the results are also the result of a systematic analysis of the interviews conducted in Bolivia and Germany with Bolivian experts on decentralization. The findings reveal that the decentralization process has deepened the Bolivian democratic system's institutional framework in several meaningful ways. First, and foremost, it has created new institutions, which have directly reshaped the democratic system of government. Second and closely related to the first, it has reformed particular already existing institutions within the system.

Third, it has created additional legal norms to regulate the system. These reforms and additions have contributed to make the system of government more participative, representative, and deliberative. These are the resulting effects, adding to the more general and expected aims of decentralization to make the state more efficient, transparent, and responsive.

The results are presented in a multi-level and multi-dimensional analysis that includes the municipal, departmental and national levels of government as well as the areas of competency relevant to each level. In addition, the results are presented in a chronological albeit descriptive approach to reveal trends over time, which show how the process has been able to shape and deepen the democratic process. Moreover, the analysis aims at highlighting the manner in which the process has deepened. To achieve that, the chapter begins by describing the process' normative framework, paying specific attention to the legal norms and their hierarchical nature, the core normative framework as well as the government and civil society institutions that were created and/or reformed. Next, the chapter discusses the mechanisms in which those institutions interact through the ones provided by the normative framework. It proceeds by distinguishing among first, second and third phases of the process. Further, it discusses the depth of those institutions, i.e. participation, representation and deliberation and systematically presents the analysis in a level-by-level as well as phase-by-phase manner. Finally, the last section delves into an interpretive analysis which aims at gaining knowledge and perspective.

5.2 The process' normative framework

The decentralization normative framework has been the main cause for the re-shaping of the Bolivian system of government as well as the deepening of the country's democratic process. In particular, success was perceived in several levels. The results from the expert interviews point to this conclusion, although with a more nuanced approach. The general perception about the decentralization process, including the perception of the government and the people was much more positive. Above all, the perceived success of the decentralization process in introducing institutions such as the Territorial Base Organizations (OTB, *Orzanizaciones Territoriales de Base*), the Vigilance Committees

(CV, *Comites de Vigilancia*) and some direct democracy instruments such as referendum, the option of presidential recall, citizen legislative initiative and social control, into the system was seen as a positive outcome. Diego Ayo (interview No. 4), an expert working in the United Nations Development Program's Bolivia office and who had extensively (still is) worked on the issue of decentralization, arrived to the following conclusion:

> "The institutional framework was a success because it involved actors other than the government. For example, the CV successfully introduced the idea of social control."

Similarly, Franz Barrios (interview No. 5), a consultant on issues of decentralization and autonomy and a prominent analyst within the Bolivian circles highlighted the importance of having created municipal governments pointing to the success of the process:

> "The most successful thing [in the decentralization process] is the creation of the municipality as an institution and its authorities."

In equal terms, Miguel Urioste (interview No. 19), a consultant on issues of decentralization and land reform and former politician, argued:

> "The creation of state at the local level is a qualitative step. There was creation of a new generation of public servants or bureaucrats. The institutionalization [of the process] has been strengthened."

By the same token, the opinion among experts was not all positive. Many argued that there was no significant effect of decentralization on the institutionalization of the process. Some of these experts pointed to several institutions (created or reformed) that did not seem to be functioning well (Salvador Romero, Interview No. 16 and Jose A. Teran, Interview No. 18) as well as the noticeable weak institutionalization at the departmental level of government. For example, Gonzalo Rojas (interview No. 15), former member of the group who designed the process and current professor, pointed to the weakness of the departmental level, which he called, "meso" level:

> "The meso level is weak and does not work as a link between the national and the local levels of government. One problem is that the Prefect presides the departmental council which has the task to control the Prefect. The meso level functioned badly."

Other experts highlighted the particular weaknesses of some local institutions. For example, Mario Galindo (interview No. 10), government and private consultant on decentralization and financial issues, said:

> "The perversion in the Municipal Assembly is that this elects the Mayor, which results on clientilism or corruption. The constructive censure vote was another problem, one which was not used according to its objectives."

Finally, a majority of the experts pointed to the weaknesses of the CV in terms of politization and corruption and the potential to bring the Municipal Government to a state of virtual ungovernability. This nuanced view of the decentralization process, from the part of the experts interviewed, reflect more accurately the evolution of the process as well as its complexity.

However, in spite of the deficiencies in the process, there was a generalized agreement that decentralization has had an undeniable effect on the institutional framework in the Bolivian system of government and therefore it has significantly contributed to the reshaping of the democratic deepening process. The latter was especially true because the process focused on the engagement of the citizen in the political process.

5.2.1 Normative institutions and hierarchy

Since the introduction of the first laws in 1994, the normative framework has grown in complexity deepening its reach into the system of government, in particular, through its institutional structure. Within the period of analysis, there were two types of institutions that were reformed or created. The first type were the rules or institutional norms created (or passed by Congress) that provided the normative framework for the decentralization process. These institutional norms played a significant role in reshaping the system of government as well as the democratic process. The second type of institutions was the organizational structures (also denominated organizations or institutions) created or reformed as a result of the creation of the first type of normative institutions. These organizational structures could be differentiated into governmental institutions and

institutionalized civil society organizations. Governmental institutions should be understood as institutions that carry out the government's work, while civil society institutionalized organizations should be understood as institutionalized organizations that represent society and its interests as well as being mechanisms of interaction with the government.

The analysis was carried out on the entire body of normative legal instruments that had been passed in order to implement the decentralization process over the lapse of a decade and a half. The legal structure of the process was made up of some 128 normative legal instruments, which directly affected the institutional structure of the democratic system as well as a wide array of policy areas such as municipal government administration, health, education, finance (at all levels of government), economic development (at all levels of government), urban development, citizen participation, social control, infrastructure, gender, culture, environment, territorial issues as well as political issues such as the party system and the electoral code. These normative institutions, in turn, were defined by the author of this study in terms of a hierarchical system of primary, secondary and tertiary levels. In the primary level we find some norms that are more important than others in terms of their rank as a law and the reach due to their applicability at the national level and because they are the last reference of legality. The secondary and tertiary lower ranked normative institutions have a more specific area of application; they are complementary to the primary level and many times outline in more detail what the primary laws mandate. For the purpose of analysis the following hierarchy was developed:

Hierarchy

Table 5.1 Hierarchy of laws

Primary	Secondary	Tertiary
Laws and Decrees	Decrees and Resolutions	Resolutions
36	80	4

Source: Ministry of Popular Participation 2005

The hierarchy or importance of the normative instruments is shown in Table 5.1. The primary category includes the laws and decrees that make up the structure of the process. The laws among these instruments were debated and passed by the national Congress of Bolivia. That is to say, they passed through the legislative process in order to become law of the land and in that manner attain national reach. As such, they have the rank of laws of the land and have the highest rank among the legal instruments in question. The decrees, however, did not go through the legislative process but were issued by the President, and as such they have the same rank as a law. For clarification purposes, decrees are law-equivalent legal instruments issued by the President in presidential systems of government. These instruments do not go through the legislative process; however, they have to be issued in accordance to rules and conditions normally set in the constitution. There were altogether 36 laws and decrees in this category, 16 of which form the core of the legal instruments, while the rest are decrees issued by the office of the Presidency to accompany or complement the laws.

Core normative framework

Within the primary normative instruments or framework laws, a set of core laws contained the principles and definitions, in general terms, as well as the objectives, the actors involved, the established hierarchies, structure and organizational structures where necessary. For example, Carlos Alarcon (interview No. 1), a lawyer and expert on constitutional issues, said:

> "[The decentralization process has been implemented by] a constitutional reform, the passing of the Law of Administrative Decentralization and prefectural and administrative resolutions"

Important to highlight is that Alarcon does not consider the introduction of the LPP as a tool used to implement decentralization. While, Carlos H. Molina (interview No. 14), the architect of the LPP, said that:

> "[The decentralization process was passed with] the introduction of the SAFCO law, the LPP and the Law of Administrative Decentralization."

Finally, a more encompassing picture seemed to have Diego Cuadros (interview No. 9), an official in the Ministry of Popular Participation, who incorporated most of the legal instruments listed in the table below:

> "[The decentralization process was passed by] a constitutional reform (in 1994), the passing of the LPP together with the body of laws until now, as well as the Law of Administrative Decentralization passed in 1995, which deconcentrates functions to the departmental level."

Table 5.2 presents a list of the core laws of the decentralization process and the dates of their creation.

Table 5.2 Core laws of the decentralization process

Law No.	Title*	Date Issued
Law 1178	Law of Governmental Control and Administration (SAFCO)	July 20, 1990
Law 1551	Law of Popular Participation	April 20, 1994
Law 1565	Law of Education Reform	July 7, 1994
Law 1585	Political Constitution (reformed)	August 12, 1994
Law 1654	Law of Administrative Decentralization	July 28, 1995
Law 1702	Reforms to Law No. 1551 LPP	July 17, 1996
Law 1983	Law of Political Parties	June 26, 1999
Law 2028	Law of Municipalities	October 28, 1999
Law 2150	Law of Political and Administrative Units	November 20, 2000
Law 2235	Law of National Dialog 2000	July 31, 2001
Law 2296	Law of Municipal Expenditures	December 20, 2001
Law 2446	Law for the Organization of the Executive	March 19, 2003
Law 2650	Political Constitution of the State	April 13, 2004
Law 2769	Law of Referendum	July 6, 2004
Law 2771	Law of Citizen Organizations and Indigenous Peoples	July 7, 2004
D.S. 27988	Call to Elections for Prefect (2002-2007)	January 2, 2005

*The titles of the laws are my own translation from Spanish.
Source: Compendio Normativo Sobre la Descentralización, 2005 and Compendio de Leyes: Legislación Boliviana desde 1825 a 2009, 2009.

From this table it is possible, first, to see how the decentralization process was a process that spanned more than 15 years[43]. The core laws point as well to the most important areas the decentralization process aimed at shaping, i.e. the earlier areas of concentration were administration of the state, the participation of citizens and education. Table 5.2 reveals that

[43] The decentralization process, according to the current government, is still going on together with the inclusion of autonomy. However, the process has been modified by the current government and the verdict on whether these processes are still going on is still out.

the process continued with political as well as municipal issues to later concentrate on local investment and on issues pertaining to direct democracy, the indigenous peoples and to regional matters. Above all, it can be argued that the Law of Popular Participation (LPP, *Ley de Participación Popular*) together with the Law of Governmental Control and Administration (SAFCO, *Sistemas de Administración Financiera y Control*) law formed the backbone of the normative structure. Although the SAFCO law was not specifically passed with the decentralization process in mind, it turned out to be a very important regulatory component.

Finally, Table 5.2, points to the differentiation between three phases when it comes to the implementation of the Bolivian decentralization process. The first phase began in 1994 when the LPP was introduced, the second phase began in 1999 with the passing of two important laws which affected the political party system and the municipal level of government and the third phase began in 2003 where the institutions of government were reformed and the party system was significantly modified (a more detailed discussion about each of these phases is carried out in the next sections).

Subordinate ranks of normative institutions

The second category is denominated secondary normative institutions and was made up of 80 supreme decrees and resolutions. The decrees in this category were issued by the national government –specifically the President—, and were different from the decrees in the primary category. These legal instruments were the equivalent of executive orders, specifically aimed at regulating particular policy areas as well as to complement other laws of minor rank, such as reforms to core laws. The resolutions were either supreme or ministerial. Supreme resolutions were issued by the Executive Branch on issues of national interest, such as the further regulation of a national public investment system. Ministerial resolutions were issued by the respective ministries and, as such, they addressed sectorial policy areas to provide the administrative or procedural details needed to execute them. Finally, the category of tertiary legal instruments was made up of some four ministerial resolutions. These resolutions were legal declarations of intent, not equivalent to laws, which provided in yet greater detail the administrative steps to be taken by specific governmental agencies subordinated to the ministries (MSCRPP, 2005).

5.2.2 Creation and reform: institutionalized organizational structures

Table 5.3: Institutions reformed and created by the decentralization process

	Institutionalized Rules/Norms	Institutionalized Structures/Organizations	
	Laws/Decrees/Resolutions	Government Institutions	Civil Society
Municipal	Positive Censure*	Municipal Government Municipal Assembly School Juntas (Core, District, Sub district) Local Health Boards Productive, Economic, Social Development Council *Cabildos*** Public Audiences	OTBs Vigilance Committee Parents Committees
Departmental		Prefect Departmental Council Sub prefect *Corregidor**** Provincial Councils of Popular Participation Technical Unit of Departmental Planning Departmental Services for the Municipal and Communal Strengthening Departmental Committee for the Approval of Projects Departmental Council of Education Education Council of the Originary Peoples Departmental Health Services	Departmental Mechanism for Social Control
National	Core Laws and Decrees Legislative Initiative Referendum Ombudsman	National Planning System Council for National Development National Fund for Social and Productive Investment National Council of the Millennium Challenge Account Social Investment Fund *Campesino* Development Fund National Education Congress Bolivian National Health System	National Mechanisms for Social Control (Unique Funds Board, Productive, Economic, and Social Development Council)

Source: Own elaboration.
*Positive Censure is equivalent to the Vote of no Confidence mechanism in Parliamentary government systems. The group that asks the Municipal Assembly to remove support for the Mayor (and thus remove him or her from office) has to, however, propose an alternative candidate. The proposal of an alternative is considered as positive, as opposed to just asking to remove the Mayor from office.
**_Cabildos_ are essentially town hall meetings with a colonial historical context.

***A *Corregidor* is a government representative post that is a legacy of colonial times. He was the state's representative at the smallest political-administrative unit, the Canton.

The result of the implementation of the decentralization processes' normative framework was the creation and/or reform of governmental institutions and civil society institutionalized organizations as well as the creation of subsequent normative institutions or the reform of the normative framework itself. This part of the analysis revealed the institutions that were either reformed or created by the decentralization process, at the three levels of government. These institutions are depicted in Table 5.3 and reveal three important aspects concerning their nature, their function and the areas in which they were supposed to have a direct effect. A careful read of the table reveals a parallel structure of institutions that are present across the municipal level to the national level of government. On the one side there are the government institutions and on the other side there are the civil society institutionalized organizations. The main function of these parallel institutions was of consultative and deliberative nature, and as such they provide a point of encounter among government and civil society. In addition, there are other institutions designed to provide coordination and communication channels to facilitate the national and local government's work on the mentioned areas. Moreover, these institutions cover main policy areas in which the process has concentrated at every level of government, and those are: development, education and health. In addition to those policy areas mentioned earlier, however, there are other areas on which those institutions were supposed to have an effect. Those areas mainly included local public investment, local planning and budget discussions. Furthermore, there were special institutions that work on the issue of indigenous groups and their development. Lastly, there are those normative institutions that were introduced to enhance and shape further the system. Most noticeable are the elements of direct democracy, defense of the population and constructive observations, at the local level.

5.3 Decentralization, institutions and the deepening of the democratic process

With the introduction of decentralization, the state sought to deepen the democratic process as well as reform itself. The deepening of the democratic process was designed to begin with the introduction of normative as well as institutionalized organizations which would

then allow citizens to take part in the political process and exercise their rights and duties. In this regard, the creation of normative institutions was very important to set the norms and regulations of the process but also to set the aims, principles and objectives of the same. The three main dimensions in which these normative institutions were supposed to have effects were: representation, deliberation and participation. At the same time, the effects were supposed to take place through mechanisms of interaction such as assemblies, juntas, committees, etc. Lastly, the process also went through three phases of implementation –phases one, two and three, as defined by the author of this study and discussed in detail below.

5.3.1 Representation, participation, and deliberation

The Bolivian decentralization process was purposefully denominated Popular Participation by the designers because it was aimed at the improvement of participation, political representation and the introduction of mechanisms of deliberation in the political process. In the first place, the institutions aiming at increasing participation were the various political spaces where citizens or civil society organizations could engage and interact with the government on development planning, local investment and budgeting, and to exert social control over the local government. The participation of citizens and civil society at every level of government was seen as the primary form of democratic deepening. In second place, government institutions and institutionalized civil society organizations were created to improve the representation of citizens and groups of citizens in the country. On the government side, these institutions included the municipal assemblies, the different juntas or committees, the local health boards, developmental councils, and public audiences and *cabildos*. The institutions of representation on the civil society side were the OTBs, vigilance and parents committees. In the departmental level these were the departmental councils, the councils for education, popular participation and the one for education of "originary" [44] peoples. At the national level representation institutions included the Ombudsman and the normative institutions of referendum, presidential recall and legislative initiative. The first two may not directly represent citizens but they do represent

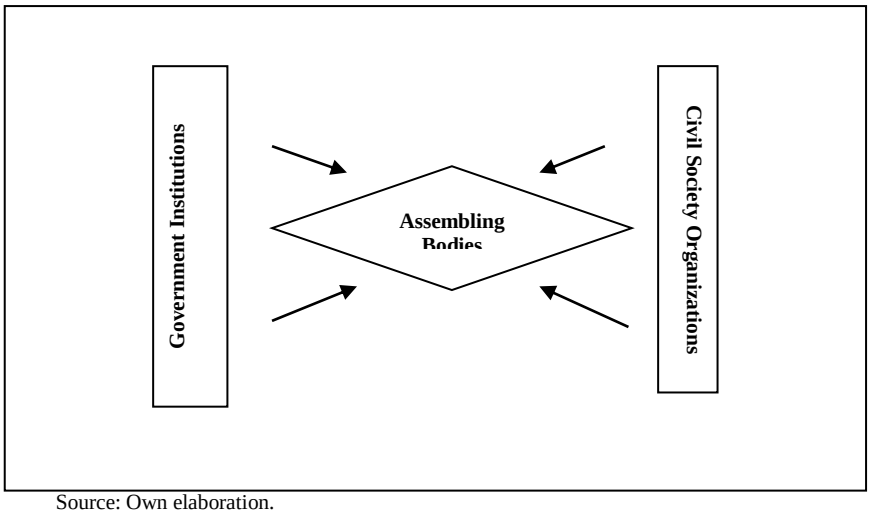
[44] Originary is the qualifier indigenous people chose to refer to themselves thereby rejecting the appellative indigenous, which they think is a western invention.

their opinions. In third place, most of the same institutions mentioned were also seen as vehicles to increase the practice of deliberation, to promote negotiation and consensus building.

5.3.2 Mechanisms of institutional interaction

The structure envisioned by the normative design was one of participative and consultative process through three primary sets of institutions: governmental administrative, controlling civil society institutionalized organizations and consultative or deliberative institutional arrangements. These institutions realized the participatory and consultative objectives through mechanisms of interaction, namely the assembling bodies. Figure 5.2 below provides a schematic view of the institutional arrangement and the mechanism for interaction.

Figure 5.2: State-Civil Institutions and Mechanism of Interaction



Source: Own elaboration.

As Figure 5.2 shows, the three integral parts of the process which are the government institutions as well as the various civil society organizations. These institutions met in assembling or consultative bodies created by the decentralization legislation precisely to bring these two sides together to the negotiating table. In addition, these consultative bodies provided the political spaces for civil society as well as citizens to take part in the policy-making process, to control the different levels of government and to voice or express their interests or preferences. In the Bolivian process, the various bodies took the form of boards,

committees, assemblies and councils, where the government and civil society were represented. The decentralization was thought to be an interactive process that took place at three levels: national, departmental and municipal and encompassed the areas of competencies granted to the municipal governments, such as education, health, sports and infrastructure, as well as public investment and economic development. The more intensive interaction was designed to take place at the municipal level, where the various civil society organizations were represented and had the opportunity to participate. A lower level of interaction was thought to take place at the departmental levels, where the decentralization program placed less emphasis.

5.3.3 The phases of the process

For analytical purposes, three phases were distinguished in the process. The first phase began with the passing of the Law of Popular Participation in 1994 as well as the Law of Education Reform and the reform of the Constitution, which among other things introduced the combination of single member district and proportional representation system of seat distribution for Congress. In the following year, the Law of administrative decentralization was passed and, in 1996, the reforms to the popular participation law were passed. All in all, the years from 1994 to 1996 laid out the basic framework of the process of decentralization, where, as mentioned earlier, the passing of the LPP was the most significant contribution. The second phase began in 1999 with the passing of the Law of Political Parties and the Law of Municipalities. The following year the Law of Political and Administrative Units was passed, whereas in 2001 the Law of the National Dialogue 2000 and the Law of Municipal Expenditures were passed. These laws deepened the reach of participation in the form of a national dialogue and further defined the spaces for interaction. At the same time, these laws further defined the spaces of government action. The third phase began in 2003 with the Law for the Organization of the Executive, and in 2004 a new Constitutional reform was passed –which introduces the referendum, constitutional assembly and the citizens legislative initiative—, a Law for the use of referendums and the Law of Citizen Organizations and Indigenous Peoples. In 2005, the Supreme Decree calling for the election of the Prefects is a final action in this phase. The third phase introduced more methods for citizen participation through the reform of the

Constitution, the law ending the representation monopoly of the political parties and the calling to the referendum for the election of the prefects.

5.4 Multi-level and multi-dimensional analysis

The analysis presented in this chapter took a time frame which spanned from 1994 to 2005, which is the time elapsed from the introduction of the Popular Participation to the time when Bolivia began to implement significant changes in its democratic system. Moreover, the analysis carried out is a multi-level analysis because it looks at the three levels of government in which the Bolivian government is organized: the municipal level, the departmental level and the national level of governments. In similar fashion, the analysis takes a multi-dimensional approach because it considers the degree, the type and the temporal dimensions of the decentralization process. In addition, it accounts for the dimensions of participation, representation and deliberation and the depth in which these were affected by the process. Finally, it takes into account the different phases of implementation, the different types of institutions, and the areas of policy interest. This is in an effort to highlight the increasing trend in the development of the decentralization's legal framework. Table 5.4 seeks to depict a schematic representation of this trend, whereby the columns show the number of decentralization related legislation issued, either by Congress or by the Presidency.

Table 5.4: Progression in the creation of normative institutions

	1994	1995	1996	1999	2000	2001	2002	2003	2004	2005
Laws	1551	1654	1702	2028	2150	2235	2341	2624	2650	
	1559					2296	2372	2451	2696	
	1565						2426		2717	
							2434		2769	
Decrees	23813	23949	24447	25273	26130	26107	26520	26912	27319	27988
	23858	23951	24997*	25286	25749	26155	26564	26959	27366	
			25060*		25964	26273	26767	27086	27431	
						26142	26868	27141	27624	
						26370	26869	27164	27633	
						26371	26874	27207	27729	
						26451	26875	27214	27730	
						26458			27746	
***1998**									27848	

Source: own elaboration with the data of the Compendio Normativo Sobre Decentralizacion.

The table shows a clear trend in the increase of the legislation necessary to implement and develop the decentralization process. Particularly noticeable are the years 2001, 2002, 2003 and 2004, when the process developed more intensively. As the process evolved, the areas in which decentralization became necessary increased and the necessity of laws and decrees to regulate the process was clear. Below is the qualitative analysis of particular laws and decrees.

5.4.1 Municipal level

Phase one (1994 – 1999)

During the first phase of the decentralization process, the introduction of the Law of Popular Participation, the Law of Administrative Decentralization as well as the Law of Education Reform and the reform of the Constitution, gave the first impulse for the reshaping of the Bolivian democratic system. In particular, the institutions created or reformed enhanced the democratic process in three general areas: participation, representation and deliberation. The first phase made ample use of the political, administrative, and financial dimensions as well as the deconcentration and devolution dimensions of the decentralization process. Above all, the Law of Popular Participation and the Law of Administrative Decentralization created the basic institutions of the popular participation process. On the government side, Law of Popular Participation, No. 1551, issued on April 20, 1994, filled the vacuum the state had left in rural areas since the founding of the republic. The Bolivian territory was politically and administratively divided into departments, provinces, sections of provinces and cantons, with the latter being the smallest administrative unit. However, the government was never able to establish its presence in each and every canton throughout the Bolivian territory. Before 1994, the Bolivian government was physically present in 27 municipalities, mainly in the nine departmental capitals such as the cities of La Paz and Santa Cruz, in some Province capitals where the population was significant and other mid-sized border towns where import duties would be imposed (Carlos H. Molina, interview No. 14). One year after the introduction of the decentralization process, the country had 311 municipalities, each with their own

governments. Municipal elections provide an illustration of this situation. A report published by the National Electoral Court for the 1985 municipal elections shows only the results of the nine departmental capitals where the vote took place (Corte Nacional Electoral 1997). In similar fashion, a FUNDEMOS report on municipal elections for 1987 shows the results on the nine capitals as well as some other significant towns such as Province capitals (FUNDEMOS 1998). The lack of results in each and every canton along the territory shows not only the lack of political importance of these rural towns but the lack of presence of the government, since elections did not take place there. In fact, the creation and reform of governmental institutions, civil society institutionalized organizations and norms, improved the level of participation of citizens in the political process, augmented the forms of representation –political and nonpolitical—and provided incentives for deliberation.

In 1994, the LPP helped fill the State's lack of territorial presence by initially creating 311 municipalities[45], which covered the whole Bolivian territory. It did this through the definition of the section of province as a municipal territory, which contained the smallest unit, the canton. Once the territories were created, the same law created their governments. The Municipal Council, which is defined as the maximum authority in a municipality, is the deliberative and consultative body in a municipality. The Municipal Government, made up of the Mayor and the administration, is the executive branch. Article 14, section IIa, gives local governments the authority to control and administer as well as equip and supervise the use, provision, maintenance, functioning, and performance of the infrastructure in the areas of competency as well as the appointment, supervision, evaluation and, if need be, removal of local officials. The municipal governments were given responsibility and authority to work on human development such as taking care of the environment, incorporating gender equality, supervising the performance of public servants in the areas of education and health, promoting cultural and sport activities as well as in the areas of infrastructure and administration. In the areas of participation and deliberation, Town halls or *cabildos* were also instituted so that the Municipal Council had direct contact with the citizenry. On the financial side, articles 19 to 24 define the financial resources for the Municipal Government, which represent a significant source of independence. They

[45] The number of municipalities has increased to 339 over the course of 17 years of decentralization.

determine each municipality has an account where the funds are directly and automatically transferred from the Central Government. These funds are then under the discretion of the Municipal Government in order for it to fulfill its responsibilities.

On the civil society side, the LPP created two institutions of representative nature. The first one was the Territorial Base Organization (OTB, *Organización Territorial de Base*), which represented any *campesino* communities, indigenous communities and indigenous peoples[46], as well as neighborhood associations, that is traditional and nontraditional forms of organization. These organizations form the basis of the nature of civil society organizations in the country and they are present at the lowest level of government. The OTB created a multiplicity of political spaces where the different forms of organization of citizens could acquire and exercise the various rights and responsibilities given by the LPP. The LPP, in its articles seven to 11, established the rights and obligations of the OTBs and the CVs. The law prescribes that OTBs have the right to propose, ask questions, control and supervise public works and the provision of public services in the areas of municipal competency. They have the obligation to cooperate in the identification, prioritization and administration of public works as well as in the protection and maintenance of municipal infrastructure. Furthermore, they can object and seek reversal of such works and services if they deem them against the interests of the community.

The second institutional creation was the social control instance called the Vigilance Committee (CV, *Comité de Vigilancia*). This institution provided space for the different OTBs to interact with the Municipal Government by, primarily, exercising horizontal social control over these as well as participating in the formulation of public policy. The CV is made up of representatives of the OTBs. In this manner, the LPP promoted the organization of the entire civil society spectrum and provided political spaces for political actions. Each CV is composed of one OTB representative and they were designed to exercise control of

[46] In Bolivia there is a difference between *campesino* communities, indigenous communities and indigenous peoples. The first concept denotes communities of peasants. *Campesino*, was a word introduced by the 1952 National Revolution and was used by the revolutionary government to, above all, integrate the indigenous and peasant communities in the idea of the Bolivian Nation. The second term denotes a community of people with indigenous origin. The third concept denotes indigenous groups who identify themselves as nations. While it is common to treat these three concepts as synonymous, the differences become important at the time of law making or policy formulation.

the Municipal Government through a mechanism of complaint, which can potentially stop the flow of financial funds to the municipality by directly submitting a complaint to the Senate. Each OTB also had the prerogative to solicit information from the local government as well as make observations on local policy. These observations have to be addressed by the local government in due time.

The LPP also provided political room for other active organizations at the local level, such as NGOs or religious organizations, to take part in the popular participation process. Supreme Decree Nr. 23813, issued on June 30, 1994 outlined in detail the procedures required to stop the automatic transfers in favor of the Municipal Governments, in accordance to the LPP, in case there was an observation by the CV. In a first step, the committee complains directly to the Municipal Government or Mayor. The complaint has to be addressed in a set number of days. If the answer is not satisfactory, the committee has the option to bypass the local government by addressing the complaint to the executive via the Treasury Office. If the complaint reaches the Congress, the municipal funds are stopped until the matter is cleared (article 7).

Supreme Decree Nr. 23858, issued on September 9, 1994 defined in greater detail the nature, structure, functions, rights and obligations of the OTBs. It mandated that there should be one OTB per territorial unit (province section) and its organization should take into account the forms of organization present in each unit. For example, in rural areas, Bolivia has diverse forms of social, political and administrative organization: the *Ayllu*[47] in the Andes, the *Cabildo Indigena* and the *Capitanias*[48] in the lowlands, and *campesino* communities around the country. These forms of organization, while rooted in colonial times as well as in the time of the 1952 revolution, have taken their own forms resembling the local customs, traditions, history, language and culture. In urban areas, the most

[47] Traditional form of social organization in the Andes region. An *ayllu* can include a small group of families or a medium-sized region with many groups of families. The most notable characteristics are: there is no private property, the land belongs to the *ayllu* and there is a system of rotating leadership.

[48] Traditional forms of social organization in the Bolivian lowlands. The two forms of social organization have their roots in colonial times. The *cabildo indigena* is a remnant of the *cabildo colonial* where it was a municipal-like structure to administer the village or small town. *Cabildo* is not to be confused with *cabildos publicos* which are the same as town hall meetings. The *capitanias* in colonial times were territorial possessions with some type of strategic meaning, where a General Captain was the person making the decisions. These *capitanias*, without the General Captains and with much more municipal characteristics, remained a form of organization to this day.

common form of organization is the neighborhood junta, which is basically an association of smaller organizations representing a determined neighborhood or district (article 1). One OTB can be one of these organizations or an association of more. Moreover, OTBs have the prerogative to make direct petitions to the municipal councils and the Chamber of Senators, through the pertinent commission.

Supreme Decree Nr. 23858, introducing minor but important changes to the CVs, also defined the CVs as the organizations where local civil society was represented through the OTBs. A CV was defined to be the mechanism of interaction between civil society and the various levels of government, but primarily the municipal level of government. A CV is composed of one representative of each canton or municipal district. Each CV in a municipality had the obligation of exercising social control over the actions of the local government. It had the right to receive information from the municipal council and, based on that information; it could make observations, as questions of clarification or more information or add suggestions on the actions of the local government. The decree also allowed the OTBs and the CV to interact with other organizations within the local civil society. In this manner, NGOs, development agencies, and other organizations, whose work affected municipal matters, could coordinate actions and interact with the decentralized government structure.

Supreme Decree Nr. 24447, issued on December 20, 1996, in article 48, established the mechanisms for the participation of other types of organizations within civil society, such as NGOs, development agencies or foundations, in the development of the municipality. As long as the work is related to the competencies delegated to the municipal government (health, education, sport, culture, and infrastructure), the named organizations can subscribe contracts directly with the municipalities.

Regarding the area of normative institutions, the constitutional reform of August 1994 provided a constitutional framework and thus more legitimacy to the provisions of the LPP. The most significant additions were that the Municipal Governments were given autonomy, which meant having the authority to issue norms, make decisions, and administer their own affairs within its own boundaries or territory and that it introduced the positive censure vote

to control the mayors (article 201). This vote was to provide a mechanism to remove mayors similar to the vote of no confidence in parliamentary systems. It was positive because, along with the vote of no confidence, the alternative nomination for a new Mayor was supposed to be introduced.

The next significant changes were implemented in the efforts to reform the education system. The July 7, 1994 Law of Education Reform Nr. 1565, had the objective to, in the framework of the decentralization process; integrate the reform of the Bolivian education system into the popular participation process. First it created the framework of the education system based on four structures: popular participation, curricular organization, curricular administration and resource administration and technical support. At the school level and based on local OTBs, the law created the School Juntas. One level higher, the representatives of the School Juntas come together in a Core Junta. The District and Sub-district Juntas would be made up by representatives of Core Juntas. These different types of juntas would take part in the planning, organization, design and oversight of education policies in each of their respective territorial boundaries. At the municipal level, the law established the cooperation between the aforementioned entities with the Municipal Councils. Finally, the February 1, 1995 Supreme Decree Nr. 23949, outlined the objectives, structure, functions and attributions of the organisms of popular participation within the education system.

Phase two (1999 – 2003)

The second phase began with the implementation of the Law of Municipalities Nr. 2028, enacted on October 28, 1999, which delineated in greater detail the structure, competencies, organization, norms and functions of the municipal level of government. The principles according to which the institutions could act are coordination, concurrence (working together with other institutions) and subsidiarity. It prescribed autonomy to the Municipal Government, within its territory and mandated the primary task of guaranteeing citizen participation in municipal affairs. In particular, article 4 (but also article 3) defined autonomy as the authority to norm, control and administer what the municipal government had authority on within its own territory and on the competencies given by law. This

autonomy rests on the ability of the municipality to elect its own authorities and to generate, collect and invest its own financial resources, the authority to issue its own by-laws and resolutions, and the ability to execute its own by-laws, resolutions and national laws applicable to its own territory (section II). Citizen participation would be promoted by the involvement, in the formulation of policy, of OTBs, VCs, NGOs, and other organizations active in the municipal territory and by mandating gender equality. This kind of participation and deliberation would be channeled through ordinary or public municipal council meetings. Additionally, the council would have to organize *Audiencias Publicas*[49] or town hall meetings where individuals, groups or both would have the chance to be heard by the State. Citizens and civil society had the prerogative to participate in the formulation of the Municipal Development Plan (*Plan de Desarrollo Municipal)*, the Municipal Budget (*Presupuesto Municipal*), and the Annual Operative Plan (*Plan Operativo Anual)*. Finally, in the normative institutions area, article 151 of the same law created a Social Control Fund (*Fondo de Control Social* or FCS) to provide the CVs with financial resources. This fund was deemed necessary to preserve the CV's independence and assure its longevity.

The Law of Municipalities, passed on October 1999, was instrumental in defining the financial aspect of the Municipal Government. Among other things, it defined the rules for conducting the finances of the Municipal Government, including the issue of debt. It defined the responsibilities of financial reporting, placed limits to spending, provided for internal and external controls and, most important, it placed restrictions on spending. In addition, it handed the responsibility of the administration to the Mayor, something lacking up until then.

In the area of education, the January 8, 1999 Supreme Decree Nr. 25273, outlined the manner in which parents participated in the social control of the education system at the educational unit or school level through the Parents' Committee. It also gave the norms for the constitution of school juntas by attributing membership to the members of the Parent's Committee and two members of the respective OTB. The president of the School Junta, who by law would be one parent, would be responsible for the control and coordination of

[49] *Audiencias publicas* are Municipal Assemblies public sessions where citizens can attend to have the opportunity to express their opinion.

matters such as infrastructure, teacher attendance control, school supplies, equipment maintenance, etc. In addition, every president of a school junta, plus the District Director (a government official) made up the Core Junta. This entity supervised the various education services in the district. Lastly, the highest entity was the District Junta, which also has a supervision role over its district.

In the area of public investment, Supreme Decree Nr. 26142, issued on August 6, 2001, established the norms for the creation, functioning and dissolution of the association of two or more municipalities in municipal associations or *Mancomunidades*. These entities allowed two or more municipalities, municipal districts or indigenous communities to associate with the aim of coordinating and cooperating on particular development projects. Article 14 expressly outlined the mechanisms for popular participation and social control of the OTBs which acted through the CVs. The decree left up to the OTBs and CVs to define the mode and extent of participation. In any case, the CVs did not have the prerogative to participate in the organization's directory.

Phase three (2003 – 2005)

In the third phase, the social control aspect was strengthened. Supreme Decree Nr. 26564, issued on April 2, 2002, created the National Mechanism for Social Control (*Mecanismo Nacional de Control Social)* and the Departmental Mechanism for Social Control (*Mecanismo Departamental de Control Social)*, which, together with the CV, made up the entire social control system. At the municipal level, the Municipal Council and the office of the Mayor would be obliged to consider every CV pronouncement in the areas pertaining to the Municipal Development Plan (PDM, *Plan de Desarrollo Municipal)*, the Annual Operative Plan (POA, *Plan Operativo Anual)*, and the Municipal Budget (PM, *Presupuesto Municipal*), as well as the local government's half-year report on policies, investment and administration. CV representatives could also raise observations to decisions taken on investment projects at the municipal level which are financed by a special development fund, called National Fund for Social and Productive Investment (FPS, *Fondo Nacional de Inversión Productiva y Social*). These observations could be channeled through overseeing entities, such as the Departmental Committees for the Approval of Projects (CDAP,

Comités Departamentales de Aprobación de Proyectos). The committee would investigate together with the Municipal Government and would have the power to stop the funds if irregularities were found. As an additional channel, the CV could start a legal process against the observed entity, be it the Municipal Government or its authorities. Lastly, a responsibility of the CV is to control the regularity of internal audits in every municipality.

Supreme Decree Nr. 27207, issued on October 8, 2003, amended decree Nr. 26142. It created the Productive, Economic and Social Development Council (CODEPES, *Consejo de Desarrollo Productivo, Económico y Social*) as the body in charge of social control in municipal associations or *mancomunidades*. Its members would include, aside from representatives from the CV, representatives from productive organizations, organizations that provide services in the municipality and professional organizations as well as organizations that work with environmental issues, for example, mining cooperatives, artisan organizations, small and medium enterprises, etc. There would only be one CODEPE per municipality. This body would have an overseeing role of the decision-making process in the municipality and a coordinating role vis-à-vis the departmental level of government. It would have an input on the elaboration of the PDM. The important aspects of the PDM would have to be included in the POA of the municipality. Finally, the CODEPE can have a say in the elaboration of the municipal budget, in reference to its PDM.

In the area of health, the Law of the Universal Insurance for Mothers and Infants Nr. 2426, passed on November 21, 2002, created the legal framework for the national insurance scheme for mothers and infants. At the local level, it created a network of social and health services, including sanitary posts, clinics and public hospitals. It created an overseeing entity for the control and administration of this system, including pre-destined funds, denominated, Local Health Boards (DILOS, *Directorio Local de Salud*,). This body is comprised of a representative of the municipal and departmental governments as well as a representative of the CV.

In the same manner, and a month later, Supreme Decree Nr. 26875, issued in December 21, 2002, outlined the structure and organization of the Bolivian National Health System. The

participation of the civil society was predominant at the departmental and municipal levels. At the municipal level, the decree stipulated that the CVs, together with the municipal governments and the Departmental Health Services (SEDES, *Servicios Departamentales de Salud*,), had to be involved in the administration, planning, coordination and control of the health system and its services. One representative of the CV was part of the DILOS. In particular, and within this body, the CVs made certain the flow of information from the health system to the local population was constant as well as that the needs of the citizenry were brought back into the system. Also, as part of their control task, they supported and further the organization of social networks to promote the active participation of civil society and the social control of the system's administration. Finally, they participated in the planning of health policies. Additionally, the law created the Networks of Health (RDS, *Redes de Salud*), which were networks grouping together health service providers such as doctor's offices, mobile health services units and small and large hospitals. Civil society organizations participated in the elaboration of the annual operative plans of these local health networks. These plans are then presented to the local health boards, which were the higher level in the structure. Finally, the decree stipulated the creation of local social networks (article 13). These networks were made up of civil society organizations such as OTBs, and other pertinent organizations or individuals who worked in the area of health. Each network worked together with the various health-system bodies to guarantee the provision of health in the community. Moreover, they participated in the elaboration of the Local Health Board's plan and followed closely the process by controlling the interaction between health providers and citizens, specifically paying attention to potential problems such as discrimination, cultural issues at the time of examination, proper functioning of schedules, accessibility of services, corruption, translation, etc. It also participated in the elaboration of plans, forwarding the opinions of the citizenry and promoted social mobilization or protest mechanisms. Finally, it placed an emphasis on the health of women and children.

5.4.2 Departmental level

At the departmental level, the institutions were designed to primarily aid in the coordination between the national and the local levels of government. In particular, most institutions

aided in the consultation and deliberation aspects, but some of them also had some role in the formulation and execution of such policies. In specific terms, the area of education incorporated two specific councils, one with particular attention to the originary peoples. Another area with a more concrete role in the policy-making process was the development area where the Technical Unit of Departmental Planning had an important role in formulating development projects that affected the region; this, as opposed to those institutions with only a coordinating role. For example, the Departmental Services for the Municipal and Communal Strengthening and the Departmental Committee for the Approval of Projects could only coordinate the decision-making between the local and national levels of government. Finally, the area of governmental institutions was also directly affected by the decentralization process. While the figures of Prefect, Sub prefect, and Corregidor were already existent, and were subsequently only reformed by the decentralization process, the Departmental Council was an innovation. As far as the civil society organizations are concerned, the departmental level of government did not have much to offer, except for the creation of the Departmental Mechanism for Social Control, which was really an extension of the local and national levels of social control.

Phase one (1994 – 1999)

In stark contrast to the decentralization efforts at the municipal level of government, the endeavor at the departmental level implied mostly the application of an administrative type of decentralization with delegation of tasks from the central government. The guiding premise was to convert the departmental level of government into a liason between the central and the municipal government levels. In the first phase of decentralization, the decentralization efforts concentrated on the municipal level of government leaving the departmental level rather loose and without a mechanism to integrate it into the newly created complex system. The LPP, for instance, created the National Fund for Regional Development (FNDR, *Fondo Nacional de Desarrollo Regional*) to provide funds for public investment at the departmental level and facilitate a better coordination with the municipal level's own development objectives. In the same manner, Supreme Decree Nr. 23858 from September 9, 1994, created the Provincial Councils of Popular Participation (*Consejos Provinciales de Participación Popular*, CPPP). This entity, composed by representatives of

the Municipal Governments, the CVs, and OTBs, coordinated projects, programs, demands, investment and proposals emanating from civil society at the provincial level. It was yet another consultative body (articles 22 to 25).

However, it was clear that a legal framework was needed to fully integrate the departmental level to the decentralization process. The Law of Administrative Decentralization Nr. 1654, passed on July 28, 1995, set the rules and regulations regarding the decentralization of administrative tasks from the central government to the departmental government. It re-established the departmental level of government by holding on to the figure of the Prefect, as head of government and executive branch, and created a Departmental Council, the deliberative body. As it was the case before, the Prefect was appointed by the President, who would appoint a Sub-prefect (head of a Province) and a *Corregidor* (head of a *Canton*)[50]. These officials would administer and execute the departmental government's tasks. The Departmental Council, made up of one designated representative designated by the Municipal Council from each province within a department, would oversee the Prefect and his administration. The Law, in addition to establishing the structure of the departmental government, it also established its liaison function between the central and the municipal levels of government and its financial dependence from the central government. Articles 4 and 5 defined the functions as carrying out projects for the improvement of infrastructure and the strengthening of the municipal government and support of the popular participation process.

In the public investment and economic development areas, Supreme Resolution No. 216779 from 1996, which created the planning system (SISPLAN, *Sistema Nacional de Planificacion*), regulated the participation of the Departmental Council and created the Technical Unit of Departmental Planning (UTPD, *Unidad Téchnica de Planificación Departamental*). The UTPD is the institution in charge of elaborating the Departmental Development Plan, which has to, first, take account of the departmental priorities and consider and, second, integrate these priorities in the Municipal Development Plan. In addition, the UTPD also coordinated with the national level, via the ministries, to

[50] These two figures, Sub prefect and Corregidor existed already in the departmental government.

incorporate the policy expressed in the General Plan for Economic and Social Development of the Republic.

In the area of education, the Law of Education Reform Nr. 1565, from July 7, 1994, created the Departmental Council of Education, which would be comprised of representatives from the departmental government, the OTBs and CVs as well as representatives from the teacher's union, representatives from private universities, a representative of a student organization and a representative from the Catholic Church. In addition, it created a transregional entity denominated Education Council of Originary Peoples. This entity would be made up of a similar number of representatives as the Departmental Council of Education.

Phase two (1999 – 2003)

In the second phase, the Supreme Decree Nr. 25286, issued on January 30, 1999, created the Departmental Services for the Municipal and Communitarian Strengthening (SED-FMC, *Servicios Departamentales para el Fortalecimiento Municipal y Comunitario*). Its task was to promote and support the decentralization process in coordination with the prefecture and municipal governments, CVs, Sub prefects, Provincial Councils of Popular Participation, etc. More specifically, it supported, with know-how, the efforts of the different entities at the municipal level, such as project generation, support by providing information on how to do paper work and where to file it, etc.

Phase three (2003 – 2005)

The third phase brought more substantive changes in the areas of public investment and health. However, it is important to begin with Supreme Decree Nr. 27431, issued on April 7, 2004, which after some nine years, laid out the rules and regulations for the Departmental Councils. The councils included representatives of each municipality, the Prefect and a secretary and met three times each month in ordinary sessions, with two ordinary sessions in one calendar year being public audiences. Civil society organizations and citizens had the opportunity to, through these audiences; communicate with the council about departmental competency issues. The Prefect formulated the *Plan Departamental de*

Desarrollo Económico y Social (PDDES), the *Plan Operativo Anual* (POA) and the budget. Each of these items was considered by the Departmental Council as well as by each Municipal Council, through which, also submitted, was the evaluation of the various organizations involved in the mechanisms of social control (CVs, OTBs, other civil society organizations).

In the area of public investment, Supreme Decree Nr. 26564, issued on April 2, 2002 created the Departmental Mechanism for Social Control (*Mecanismo Departamental de Control Social)* (with its national counterpart, the National Mechanism for Social Control[51]). These, together with the CV, make up the social control system. At the departmental level, the *Mecanismo Departamental de Control Social* would represent civil society organizations with regional and departmental reach. These organizations can be of cultural, economic, social, professional, territorial and religious nature and they cannot be political parties. This body could present opinions on investments, development policies and budget plans at the departmental level. It could also present observations on projects with regional and departmental reach directly to the executive board of the particular fund. These observations have to be addressed within a set term, not without consulting all other affected bodies at every level of government. As an additional tool, the *Mecanismo Departamental de Control Social* could start civil processes against the bodies when deeming it appropriate.

Lastly, in the area of health, Supreme Decree Nr. 26875, issued in December 21, 2002, outlined the structure and organization of the Bolivian National Health System. The participation of the civil society was predominant at the departmental and municipal levels. At the municipal level, the decree stipulated that the CVs, together with the municipal governments and the Departmental Health Services (SEDES, *Servicios Departamentales de Salud*), was involved in the administration, planning, coordination and control of the health system and its services.

[51] The explanation of what the National Mechanism for Social Control is explained in detail in the section labelled national level.

5.4.3 National level

The national level saw three innovations under the norms category of institutions. The process effectively provoked the introduction of the Citizenship Initiative and Referendum mechanisms into the democratic process and it similarly was responsible for the creation of the Ombudsman office. In the governmental institutions category, the national level saw the creation of the National Planning System, the Council for National Development, the National Fund for Social and Productive Investment, the National Council of the Millennium Challenge Account, as well as the Social Investment Fund and the *Campesino* Development Fund. All of these were institutions that worked on issues such as economic development and government public investment. Moreover, at the national level was also created the umbrella institutions for the education and health areas, i.e. the National Education Congress and the Bolivian National Health System. Finally, in the civil society category of institutions, the national social control mechanisms was created, which included the Unique Funds Board and the Productive, Economic and Social Development Council. These institutions played a role in the social control mechanisms.

The Bolivian national level of government experienced limited changes through the decentralization process. Some of those changes followed the logic of the process and included the creation of several consultative institutions which aimed at establishing consent and legitimacy for the government's actions. The changes were limited because these institutions themselves were limited to action on the areas of competency given to the municipal governments; health, education, finances and sports.

Prior to the first phase of decentralization, the government had introduced what was going to constitute one of the most valuable tools for the decentralization process. The Law of Administration and Government Control (SAFCO) Nr. 1178, enacted on July 20, 1990, provided the general legal framework as well as the necessary administrative instruments for the planning, organization, operation, execution and control of the state's resources by all the relevant parts of the state's apparatus. The instruments were the Annual Operative Plan (POA), the Budget (*Presupuesto*) – which referred to the structure for budget creation and the statement of income and expenditures—and the Development Plan (*Plan de*

Desarrollo). In its article three, it dictated the application of this measure to all levels of government, including the departmental and municipal governments. As a result of this law, sub-governments created the strategic and operative plans with which they planed and executed their budgets annually. Though this law was passed prior to the beginning of the decentralization process, it became a fundamental tool because it provided the instruments of control with which civil society oversaw government.

Phase one (1994 – 1999)

The first phase of Bolivian decentralization at the national level did not see as many fundamental changes as the municipal level. The national level rather experienced changes in the system with the aim to strengthen the process. The most important change was made explicit with the passing of the Law of Constitutional Reform Nr. 1585 from August 12, 1994. This law, which was passed after the introduction of the LPP, sought to reinforce the decentralization process. For instance, it defined the Bolivian democratic system of government as representative and the government as decentralized, two obvious, yet necessary conceptual clarifications. In addition, the law further clarified the organization of the Bolivian state in intermediate and local levels of government, setting the stage for later legislation. Moreover, it ratified that the head of the departmental government would be the Prefect, who would be appointed by the President. It also introduced the concept of departmental council as an institution with representative and deliberative powers (articles 109 and 110). This provided constitutional backing to what was already created in the LPP.

In the area of education, the Education Reform law Nr. 1565, passed in 1994, defined the education system as having two levels, the national and the local. The national level set the general policies and guidelines and the local governments helped further define those policies as well as implement them. Article seven stated that all the levels would participate in the planning, administration and social control of the policies on education, which would be guided by the national government. The primary actors would be the OTBs and with them, civil society. The law created a National Education Congress (CNE, *Congreso Nacional de Educación*,), which brought together representatives of the School Juntas, Core Juntas and District Juntas as well as the Municipal Juntas and Municipal Councils. These

different types of juntas and councils took part in the planning, organization, design and oversight of education policies in each of their respective territorial boundaries. Ultimately, however, the deliberations and decisions should follow the national plan for education from the national government.

In the area of public investment, the LPP created the Social Investment Fund (FIS, *Fondo de Inversion Social*), and the *Campesino* Development Fund (FDC, *Fondo de Desarrollo Campesino*). These institutions served to coordinate and provide the financing of the various public investment decisions. All three have a concrete effect on the carrying out of social and regional policy at all levels, with the FIS and the FDC affecting the municipalities and the FNDR (addressed in the previous section) affecting the departmental level.

In the areas of responsibility addressed by the LPP, the legislation created the following institutions in order to deepen the process. In the first phase of implementation, there was an emphasis on two specific areas, namely education and public investment/public finance. The first significant changes came with the implementation of the National Planning System. Supreme Resolution No. 216961 from 1996 set the parameters for the implementation of SISPLAN and sought to institutionalize the municipal participative planning process. At the municipal level, the SISPLAN involved the participation of the Municipal Council, the VC, *campesino* communities, indigenous peoples and/or neighborhood associations, and any instance representing the National Government at the local level. The coordination between the departmental level and the national level was also an obligation. The institutions created were at the national level.

Later on, Supreme Resolution No. 216779 of July 21, 1996 regulated the SISPLAN. This resolution regulated the SISPLAN and sought to institutionalize the planning process through norms and processes which provide structure to the development plans at all levels of government. At the national level, the institutionalization involved the interaction and coordination of the Council of Ministers, its ministries of the area, the Council for National Development (CODENA, *Consejo de Desarrollo Nacional*), and other institutions which should produce the General Plan for Economic and Social Development of the Republic

(PGDES, *Plan General de Desarrollo Económico y Social de la República*). The particular instance in charge of elaborating this plan is the CODENA. For the elaboration, the council needed to prove the compatibility of the national plan with the departmental and the municipal development plans as well as coordinate the input of the various relevant ministries which, in turn, received input from the private sector and society as well.

Phase two (1999 – 2003)

The second phase saw an expansion in the reach of the decentralization process in two basic areas. Although not part of the decentralization efforts, but a direct consequence of the constitutional reform, the Law of Political Parties Nr. 1983, from June 25, 1999, aside from aiming at the further institutionalization of the party system, reasserted that the political parties would be the representatives of the people's political preferences. As such, they would provide the basis for the organization of the citizenry. This organization reflected the different levels of the country's administration, with the national being the highest and the local being the lowest.

Similarly, the Law of Political-Administrative Units Nr. 2150, from November 20, 2000, allowed municipal authorities as well as the authorities of indigenous communities and OTBs to, according to a particular process, solicit the creation, fusion or abolition of political-administrative units in their respective territories. At the national level, ministries and dependent agencies would be the level of government responsible to consider and coordinate such processes. At the local level, i.e. provinces, section of provinces and cantons, the municipal and departmental councils were obliged to take part in the decision-making process.

Phase three (2003 – 2005)

However, the most notable changes in the national structure came in the third phase of decentralization. The Law of National Dialogue Nr. 2235, passed on July 31, 2001, outlined the mechanisms of participation civil society had at its disposal to apply social control over the central government's policies towards poverty reduction. It created various overseeing committees at national and departmental levels. Their boards included civil society

representatives, who were given seats and voice, but no vote. One example is the Departmental Committee to Approve Projects. Its directory would be made up of prefecture and municipal representatives (not necessarily officials), representatives of the CV and other civil society groups involved in the social control mechanisms. Another example is the Unique Funds Directory, which would be the national overseeing entity. This law complemented the idea of social control introduced in the LPP by extending the CV's involvement to the departmental and national levels of government. This law created the Productive, Economic and Social Development Council, which would be the body representing the medium and small firms, environmental organizations and professional associations. This entity stood equal to the CV in the social control of different levels of government. Finally, this law created the mechanism of dialogue by which all the aforementioned civil society organizations, political organizations and the government can come together under the direction of the national government. National policies for development were the results of this state-society dialogue process.

The second change was brought about by the reform to the Political Constitution of the State Nr. 2650, approved in April 13, 2004. In its introductory paragraphs (article 1), the state was defined as representative and participatory. As part of the decentralization process and aiming at deepening the democratic process, these reforms introduced the mechanisms with which the citizenry and civil society could influence the democratic system at the national level. These mechanisms were the Citizen Legislative Initiative, the Constituent Assembly and the Referendum (article 4). The first mechanism allowed any citizen to introduce or propose a law. The second mechanism allowed for the reform of the constitution through a representative assembly other than Congress. The last mechanism, the referendum, was introduced to make decisions on issues of national interest by asking the people directly. The latter's meaning was expanded with the Law of the Referendum Nr. 2769, from July 6, 2004, which outlined the mechanisms regulating a referendum in all governmental levels. It created the national referendum, to address matters of national interest as well as departmental and municipal referenda, to address matters of departmental and local interest (article 2). It also established the mechanisms for groups, registered with the electoral court, to initiate a call (and thus force the legislative) to a referendum at the national, departmental and municipal levels (article 6). This is called "popular initiative".

This law also reintroduced the figure of the Ombudsman (article 127), with the task to watch over the rights of citizens, in particular, human rights. Any citizen or group could bring a complaint to the attention of the ombudsman. The law explicitly stated that municipal council members and Municipal Agents (who were official representatives of the municipal government in the cantons) should be elected (article 222). Finally, the law explicitly highlighted those political parties as well as citizen organizations and indigenous peoples could act as political representatives in elections. These organizations could nominate candidates for all levels of government (article 224). As a result, the Law of Citizen Groups and Indigenous Peoples Nr. 2771 from July 7, 2004, was passed. This law ended the monopoly of political representation that political parties enjoyed, authorizing citizen groups and indigenous peoples to participate in the electoral process with their own candidates. Articles two to five and nine described how these organizations can obtain legal status. Article six explicitly stated that these organizations could exercise the political representation of the population at any level of government. Finally, Law Nr. 3015, from April 8, 2005, modified and complemented the electoral code, the law of political parties and the law of citizen organizations and indigenous peoples allowing for the election of prefects at the departmental level. Until then, the president had the authority to appoint prefects. This law does not modify this presidential attribution, but reforms the selection process forcing the President to appoint the elections winner.

Lastly, Supreme Decree Nr. 27633, from July 18, 2004, was passed with the title Incorporating Armed Forces in the Popular Participation process. This law established that the Bolivian Armed Forces (Army, Navy and Air Force) cooperate, support and participate in the popular participation process together with the Municipal Governments, in each canton through its respective military units. The Armed Forces were to assist the OTBs and the Municipal Government in the identification of problems and necessities in each municipality, prioritize projects, elaborate the municipal development strategy, and propose projects in benefit of the local needs.

In the area of public investment, Supreme Decree Nr. 26564, issued on April 2, 2002, created the National Mechanism for Social Control (*Mecanismo Nacional de Control*

Social) and the Departmental Mechanism for Social Control (*Mecanismo Departamental de Control Social),* which, together with the CV, make up the social control system. At the national level, the *Mecanismo Nacional de Control Social* would be comprised by representatives of the nine *Mecanismo Departamental de Control Social*. It had the task to control and follow the mechanisms the central government had in place to eradicate poverty. It also had the obligation to publish reports on its overseeing work. Furthermore, Supreme Decree Nr. 27624, from July 13, 2004, was issued and entitled National Council for the Reto del Milenio Account. This decree created the *Consejo Nacional para la Cuenta Reto del Milenio*[52]. This consultative body evaluated, selected and rejected or approved the projects presented to this council. The council members included the ministers of economic development, presidency, responsible for popular participation, *campesino* and agrarian affairs as well as five notable citizens representing civil society, each with a vote. The notable citizens were invited by the President.

In the area of health, Supreme Decree Nr. 26875, issued in December 21, 2002 outlined the structure and organization of the Bolivian National Health System. The participation of the civil society was predominant at the departmental and municipal levels. At the municipal level, the decree stipulated that the CVs, together with the municipal governments and the Departmental Health Services (SEDES, *Servicios Departamentales de Salud*) would be involved in the administration, planning, coordination and control of the health system and its services. Finally, in sports, the Law of Sport Nr. 2770, passed in July 7, 2004, mandated the creation of Sport Councils at all levels of government. Citizen representation in these councils would only be given at the municipal level through one representative of the CV (article 9).

Tertiary Legal Instruments

The various ministerial and agency resolutions were aimed at addressing specific procedures and rules in specific institutional cases. The Supreme Resolution Nr. 216768 from June 18, 1996, issued by the Ministry of Economic Development, outlined the basic norms, technical definitions, basic procedures, institutional framework for public

[52] Millenium Challenge Account National Council.

investment. In similar terms, the Supreme Resolution Nr. 216779 from July 21, 1996, outlined the basic norms, technical definitions, basic procedures, and institutional framework for the National Planning System. Finally, Supreme Resolution Nr. 216961 from May 23, 1997, issued by the government, outlined the basic norms, technical definitions, basic procedures, and institutional framework for the municipal development planning process. In addition, Bi-Ministerial Resolutions 04 from January 26, 2005, and from May 31, 2005, issued by two ministries, stipulated the procedures regulating the freezing of municipal financial resources in case of an unresolved complaint. Lastly, Ministerial Resolution 533 of September 23, 2005, approved the document templates for contracting purposes.

5.5 Interpretive analysis: decentralization, institutions and democratic deepening

This chapter clearly shows that decentralization has had a direct effect on the Bolivian system of government. Moreover, it is also clear that, considering the primary aims of decentralization and how the process was designed, it had a significant effect on the Bolivian democratic process as well. The reason is because the decentralization process was conceived as the reform of the institutional framework of the state and as such the instruments by which the state was reformed were laws, i.e. the legal framework of the system. Furthermore, as the chapter shows, this reform relied on the introduction of a set of core normative framework (see Table 5.2). This framework created the essential structure on which the process was to develop. To these count the Law of Governmental Control and Administration (SAFCO), the Law of Popular Participation and Law of Administrative Decentralization (LAD); these were the principal laws with which the decentralization process was introduced. Of course, the SAFCO law was passed before the formal introduction of the decentralization, however, the design had been long in gestation and the SAFCO law had been the first fruits of this gestation period.

In addition, the process had been introduced making conscious use of the legal hierarchy the Bolivian legal system provided. It was thus that the first or core laws were introduced as

laws which had national application[53]. The expectation was that the development of the process would rely on the gradual strengthening of the already mentioned essential structure through the passing and issuing of lower ranked laws and decrees which would further define and operationalize the prescriptions of the national laws. It is thus that the decentralization process was implemented through the use of three hierarchies of legal instruments, laws, decrees and resolutions, each of which had their own specific applications.

Furthermore, the decentralization process was designed in a way that it would take time to realize. The government and the technocrats that designed it were conscious that the development of the process would take time. A brief look at Table 5.4 shows that over the time span this study takes into consideration, there was an increasing trend in the number of legal instruments contributing to the development of the decentralization process in Bolivia. This increase points to the deepening of the process. In addition, the analysis in this chapter also highlights that the decentralization process had been implemented in three phases, which though not an intention of the designers but rather a consequence of the process itself, shows the progression of decentralization over time.

The chapter also shows the consequent effects of the introduction of the decentralization measures on the Bolivian institutional framework. One result of the implementation of decentralization was, in addition to the creation of normative institutions, the creation and some times reform of institutions within the system. The initial reform efforts concentrated mostly in the area of government institutions while the creation included the latter as well as the institutionalization of civil society organizations. Consequently, the creation and reform of such institutions resulted on the reshaping of the Bolivian democratic system turning it into more a more representative, participative and deliberative system.

For example, on the government side, decentralization reformed all of the existing municipal governments which were the major capitals of departments and including some

[53] That is not to say that there were other alternatives. Because of the democratic direction the Bolivian polity had been following, it would have been difficult to introduce these laws in other ways than through the legislative process which produces laws. However, the possibility of using decrees was very real, as Bolivia's history proves.

important border towns as well as creating new local governments in the rest of the territory where the state had not been present before. The result was, as prescribed by the LPP, the creation of almost 300 new local governments, namely the Mayor's office and the Municipal Assembly. Aside from the fact that each municipality now had an Executive office which would administer all local matters, there was now a deliberative body where individual elected citizens would have the opportunity to take part in the local formulation of policies and administration of the local affairs through assembly mechanisms, i.e. passing municipal ordinances. Moreover, local assemblies had been provided with mechanisms of self-control through the positive censure vote, a parliamentary-like mechanism where the trust on the Mayor is questioned. The creation of such local governments opened the doors for individual citizens to take part in the administration of their own municipality in a way not known before.

In addition, the first decentralization efforts introduced other governmental institutions such as the Vigilance Committee which was also an institution that was supposed to provide deliberative as well as representative and participative opportunities for citizens and civil society organizations. However, the major role of the CV was the control of local investment, budget setting and the general administration of the local government. This control was not only nominal but was given force by the LPP whereby the CV could stop the automatic flow of funds to the municipality with a complaint to the Congress. Other institutions of that sort were the School Juntas and the Health Networks where citizens would come together to either supervise the work of officials in education and health areas or take part in the taking decisions about local education and health issues.

On the side of civil society, the decentralization process created the Territorial Bases Organizations in an effort to give all civil society organizations incentives to formally institutionalize. Based on the OTBs, the process regulated the participation of civil society organization in the local governments. OTBs did not only include the manifold of civil society organizations in each municipality, for example neighborhood organizations, neighborhood committees, informal groupings, but it also provided for the inclusion of traditional forms of organization, such as indigenous groups, indigenous nations, and indigenous peoples. Lastly, the OTBs were the basic organization that could take part in the

CVs, for example. Each CV was made up of several OTB representatives who would be elected from all the OTBs in the municipality. School Juntas and Health Networks as well would have OTB representatives.

At the departmental level of government, the first phase of the decentralization process brought the creation of several liason mechanisms to further the communication between the municipal and national levels of government, especially in the areas of regional and municipal development as well as education and health. It is thus that, for example, the LPP created the National Fund for Regional Development (FNDR), which helped coordinate the elaboration of Municipal Development Plan with the National Development Plan. The municipal plan would have to meet the local needs and at the same time follow national strategy and meet national goals. In the same manner, the creations of the Provincial Council of Popular Participation (CPPP) served to support and further the popular participation process by engaging deliberation and consultation among municipal officials and representatives of the civil society.

Another development introduced during the first phase was the creation of the Departmental Councils through the Law of Administrative Decentralization. This new governmental institution was made up of representatives of each Municipal Assembly within each department who would control the head of the Departmental Government, the Prefect. The Departmental Council was yet another deliberative body that aimed at coordinating the popular participation process between the national government, represented by the Prefect and the municipal governments, represented by their own assembly members all reunited in the council.

The national level tended to mirror many municipal and departmental institutions such as the National Planning System, the Council for National Development, the National Fund for Social and Productive Investment as well as the National Education Congress and the Bolivian National Health System. All these institutions were mechanisms of interaction to coordinate the efforts of the sub-national government levels with national strategy and objectives. With the exception of two developments, however, the first phase of decentralization did not affect much the national level. The first one was the passing of the

education reform which further delineated how the education system would function, both at the national and municipal levels. The other one was the introduction of the Social Investment Fund (FIS) and of the *Campesino* Development Fund (FDC), which provided funding for the development of society and other targeted groups such as the *campesino* population.

As time went on, the process entered into its second phase. The beginning of this phase was marked by the passing of the Law of Municipalities. This law further developed the mechanisms of participation and interaction within municipalities and further refined the mechanisms for municipal financing and local development. For example, regarding participation, the law mandated gender quotas in the election of assembly members. In addition, it further regulated the manner in which the municipal assemblies were to carry out deliberation. In fact, it mandated, in order to further involve the individual citizen, to have some deliberation in a public arena allowing citizens to attend such meetings and voicing their minds. In addition, the law further developed the mechanisms of policy formulation. It made a differentiation among participation in the formulation of the development and the operative plans as well as the formulation of the municipal budget. In the area of education, the law further specified the make up of the School Juntas and its coordination mechanisms with local officials, such as the School Director. On the civil society side, this law introduced a fund to guarantee the impartiality and independence of the CVs, the Social Control Fund (FCS). This fund received the financial resources allocated to the CVs and oversaw the execution of the funds in support of CV activities. Lastly, this phase saw the introduction of the municipal associations, which oversaw the association of two or more municipalities in the carrying out of mutually beneficial development projects.

At the national level, the second phase saw the introduction of a law regulating the system of political representation in the country through political parties and the introduction of another law allowing the creation and dissolution of municipalities.

Lastly, phase three was marked by the completion of the implementation of mechanisms of social control. In the municipal level of government these mechanisms were strengthened

by the introduction of measures that obliged the Mayor to consider all CV observations or requests. Furthermore, on the area of health, the phase saw the introduction of the Local Health Boards (DILOS), which would make yet another instance of control and deliberation between the government and civil society sides.

At the departmental level, this phase saw the implementation of an operative plan and a social and economic development plan for the departmental levels. In the area of health, the improvements were the introduction of the Departmental Health Services office to further strengthen the National Health System. In addition, the mechanism of social control was also strengthened through the introduction of the Departmental Mechanism for Social Control.

The beginning of the third phase at the national level saw the most important effects of decentralization on the Bolivian system. The first major change or improvement was the introduction of a mechanism of national consultation through the Law of National Dialogue. This mechanism outlined the steps to be taken for the participation civil society. In addition, the law provided instruments that civil society had at its disposal to apply social control over the central government's policies towards poverty reduction. It created various overseeing committees at national and departmental levels. Their boards included civil society representatives, who were given seats and voice, but no vote. One example is the Departmental Committee to Approve Projects. Its directory would be made up of prefecture and municipal representatives (not necessarily officials), representatives of the CV and other civil society groups involved in the social control mechanisms. Another example is the Unique Funds Directory, which would be the national overseeing entity. Even though civil society representatives did not have a vote, they had plenty of power through the municipal level where they applied pressure to the national government through the various mechanisms created to involve them in the policy-making process. This law complemented the idea of social control introduced in the LPP by extending the CV's involvement to the departmental and national levels of government.

The second and most important change at the national level was the passing of a law reforming the Bolivian Constitution. These reforms introduced normative institutions

which strengthened the changes that were already in progress towards making the Bolivian democratic process more deliberative, participative and representative. The reforms were: the citizen legislative initiative, the constituent assembly and the referendum.

Lastly, the system of political representation was significantly changed through the introduction of the Law of Citizen Groups and Indigenous Peoples, which abolished the monopoly of representation the political parties had and allowed citizen and indigenous groups to take part in the electoral process by proposing a candidate.

As seen, this chapter has shown that the Bolivian democratic system was significantly reshaped through the creation and reform of normative institutions, government institutions and institutionalized civil society organizations.

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Chapter VI

The Bolivian Decentralization Process

and

the Political Participation of Citizens

6.1 Introduction

This chapter presents the results of the descriptive analysis addressing the hypothesis that the political participation of Bolivian citizens increased during the period (1994 to 2005) decentralization was implemented. The results stem from the analysis of the raw electoral and survey data made available by the Bolivian electoral court and the public opinion surveys from Latinobarometro and LAPOP, supplemented by the results of the expert interviews. The findings uncovered significant trends within the period under analysis. In the first place, the analysis revealed the necessity to differentiate political participation into electoral and non-electoral participation. This differentiation corresponds to the evolution

of the concept from the classical to the contemporary approach. The classical approach has conceptualized political participation in terms of citizens going out to cast votes, whereas the more contemporary approach has broadly conceptualized political participation as participation of citizens in electoral processes as well as all politically motivated actions. In this study, electoral participation should be understood as any electoral exercise where voters cast votes in order to express their political preferences. These may include local, national presidential or legislative elections and referenda. Non-electoral participation refers to almost any type of participation that has political aims. Of course, scholars make a variety of exceptions when it comes to the inclusion of politically motivated actions. As explained in the theoretical chapter of this study, for the purposes of this dissertation, these actions include all politically motivated actions with the exception of illegal actions. Some examples of such actions are running for office, getting involved in the policy-making process, engaging in civil society organizations, and taking part in protests.

In second place, and contrary to expectations (theoretical and practical), this analysis reveals participation trends that point to ambiguous effects of decentralization on the level of political participation in the Bolivian context. First, the level of citizen participation in electoral processes during the period in observation was marginally positive. However, it is necessary to highlight at this point that a long-term view, including elections outside the time period under analysis, has revealed a slight decline in participation. Second, the analysis revealed that the level of citizen participation on the various institutions created or reformed has been of limited increase. Third, a clear trend has been uncovered that points to the creation of local political elites. In addition, the participation of citizens at the local level on community issues has shown an increasing, albeit not strong, trend. In contrast, the participation at the national level in political parties or demonstrations has tended to decline.

The results are presented in a multi-level and multi-dimensional analysis of the national, departmental and municipal levels of government, including some indicators pertaining to the areas of competency relevant to each level. In addition, these results are approached chronologically in order to reveal trends over time, which show how the process was able to shape and deepen the democratic process. Furthermore, the analysis is framed within the

dimensions of participation, deliberation and representation. To achieve this, the chapter begins with a brief section introducing the two components of political participation. The next sections discuss the results of the political participation in elections and in non-electoral political participation. Lastly, the chapter carries out the interpretive analysis aiming at exploring the results as a whole.

6.2 Citizen political participation, decentralization and the democratic deepening process

At the time of the introduction of the decentralization measures in 1994, the Bolivian polity was divided on the expectations about decentralization. On the one side, the Bolivian state, in tandem with the international development aid community[54] and many experts and intellectuals of the time, expected that "People should take part, actively and decisively, in all decisions that involve their lives (Zimmermann 2006, 8)"[55]. In the particular Bolivian case, citizen participation in the political process was at the center of the decentralization process' discussion and implementation. In fact, the process was designed with the increase of citizen political participation in mind and accordingly was denominated Popular Participation.

On the other side, the general population around the country deeply distrusted the government and its intentions to implement the decentralization process. The LPP was seen as a "damned law" (Lema 2001, XXXVIII) which was vertically imposed and destined to break down the form in which society organized itself until then. For example, Lema (2001, XXXVIII) argued that the LPP was a "damned law" because it did not respect the customs of indigenous groups; it imposed foreign rules to these groups' realities; divided them through the electoral system; and modified the mechanisms of interaction local, communal and *campesino* organizations already had, due to the introduction of new modes of interaction through the municipal governments. Moreover, she argued that the

[54] primarily of the United States development agency (USAID), the World Bank, the United Nations, the European Union, the German International Cooperation agency (GIZ, Formerly the German Agency for Technical Cooperation GTZ), the Inter American Development Bank (IADB), as well as the national development agencies of Netherlands, Spain, Japan, Canada and Switzerland.

[55] This quote was extracted from a report of the German GTZ about its work on participation and was translated by the author by the author of this study from the German: "Menschen sollen aktiv und maßgeblich an allen Entscheidungen beteiligt werden, die ihr Leben betreffen."

decentralization process weakened local organizations because it involved local leaders in municipal issues, taking them away from their communal functions and obligations and leading them to form part of the local government, thereby lessening the capacity to criticize the work of the government.

However, as Arias (2003) has argued, the LPP rapidly won the hearts and minds of its critics because it produced the results very few expected, at least until the end of the 1990s. Arias (2003) argued that the LPP went from being a "damned" law to being a "holy" law in the period between 1994 and 1997. He argued that this phase was characterized by the passing and the implementation of the LPP, the channeling of millions of dollars to rural areas that did not receive anything before the LPP was introduced, the realization of the first municipal elections, the participation of more than 600 indigenous and *campesino* council members who took ownership of the political spaces at the local level, the official registration of more than fourteen thousand OTBs in the country, and the adoption of participatory planning and budgeting processes. Albeit, Arias also argues that after 1997, the process experienced high and low interest by the successive governments (quoted in Liendo 2009, 66), which complicated the implementation even more.

This was corroborated by the decentralization experts interviewed. All except one of the interviewee partners had, in retrospect, positive views of the effects of decentralization on the political participation of citizens and the subsequent effects on the democratic deepening process. The view of the majority was that decentralization had indeed significantly contributed to the increase in participation of citizens in the political process and therefore to the democratic deepening. Although there was a tendency among the experts to conflate electoral and non-electoral political participation, the emphasis was placed on the latter. For example, Franco Gamboa (interview No. 11) expressed that:

> "If we depart from the quantity of indigenous persons participating in the political process as mayors, council members, etc., then the popular participation process was highly successful in the area of political representation. Citizens can participate at the national level in political groups in elections, referendums, etc., also using citizen legislative initiative. However, at the meso [departmental] level, the level of participation is not entirely clear. The same can be said from participation on CVs, and other organizations of the civil society."

Gamboa based his opinion on his own observations through his work. As an expert who was involved in the study and analysis of issues such as public policy, public administration and regulation as well as having been intimately acquainted with the decentralization process through his work on the central government (in the Ministry of Government) and the local government of La Paz, he was able to observe these effects at different levels. Gamboa's positive views were also shared by Gonzalo Rojas (interview No. 15), an expert who was involved in the design of the decentralization law and later also has analyzed the process from academia, stated:

> "[Decentralization meant the] Introduction of the idea that the public is mine and that I can claim and be heard."

Moreover, Diego Cuadros (interview No. 9), an expert who represented the view of the government at the time of the interviews, stated that:

> "It is hard to imagine a local government administering without consulting the people. The people have appropriated this right already."

The idea of decentralization contributing to the consolidation of democracy was supported by some experts. The most direct pronouncement in this direction was made by Miguel Urioste (interview No. 19), who argued:

> "[Decentralization] helped consolidate democracy. It helped grow citizenship, participation and the inclusion of the rural world in politics through their own organizations and indigenous political parties."

Lastly, one of the interviewees, Xavier Albó (interview No. 2), an academic who has been observing the decentralization process through the lens of ethnic and indigenous studies, was convinced that electoral participation had increased due to decentralization. However, it was Gamboa who differentiated the various ways in which citizens could participate. He said:

> "Citizens can participate at the national level in political groups, in elections, referendums, etc., as well as through the mechanism of citizen legislative initiative. At the local level they can participate through the CV, and other organizations of civil society. At the departmental level the level of participation was not entirely clear."

In contrast, there were those who would be expectant to the benefits but not entirely convinced decentralization would be a wonder tool to increase participation. The expert who was in charge of designing and implementing the first moments of the decentralization, Carlos Hugo Molina (interview No. 14), elaborated on the process:

> "… [T]he doubt and question has been whether it is necessary to pass a law to have citizen participation and it seems that the answer is negative because participation is a right and as such it can be exercised at any time, but according to other experiences public policy is needed to be able to transcend a variety of factors that might impede participation and to institutionalize it through public policy."

Moreover, among all of the interviewees, three was only one expert who believed that there can bee too much participation and that the Bolivian case presented such characteristics. Franz Barrios (interview No. 5), a researcher who has also been intimately familiar with the decentralization process in Bolivia through his work in public office argued that there was too much participation in the process and that that was not healthy for the democratic process:

> "... I think that in Bolivia the topic of participation was exaggerated, at least as a philosophy. In the last ten to fifteen years we have lived in Bolivia obsessed with participation. I have the impression that a state cannot function well if it is that way. There has to be a dosification of participation."

The brief discussion above reveals that the political elite and the experts, many of whom played a decisive role in designing, implementing and developing further the decentralization process, and society, in principle, agreed on the perceived fact that decentralization had had a palpable effect on the level of participation of citizens in the political process, and as such an effect on the democratic deepening process. Almost all experts interviewed have expressed their belief that the decentralization process did have some kind of effect on the political participation of the citizenry.

However, this agreement was not as differentiated as it should have been. The results in this chapter clearly point to the need to differentiate political participation between electoral and non-electoral participation. One major reason for this is the fact that the Bolivian electoral system made it mandatory for citizens to vote. If this type of political participation is

aggregated to the other types here considered might skew the results. A second and final reason is to differentiate between the act of voting with other types of political participation, such as public protests or community based participation, for example (see non-electoral participation below). If anything, there was a tendency in the discussion about participation in Bolivia to conflate the two types of participation, hence the need to differentiate among the two.

6.3 Multi-level and multi-dimensional analysis

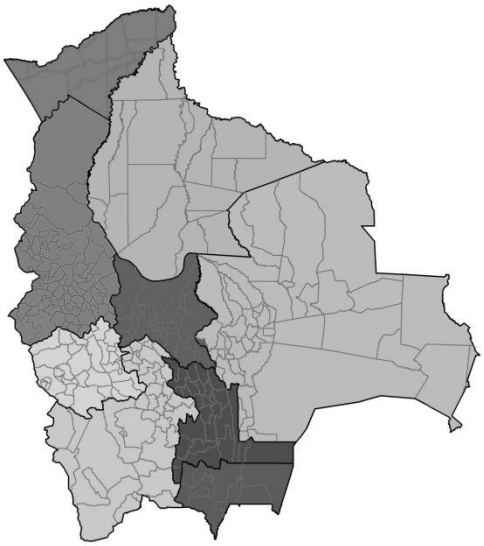
The sections below present the descriptive analysis of the electoral and opinion survey data. They do so by taking into account the different levels of government as well as the different types of participation, namely electoral and non-electoral participation. In the electoral participation section voter turnout is considered, in national as well as municipal elections carried out between 1994 and 2005. As a matter of comparison, the analysis includes in some parts elections before 1994. In the section analyzing the non-electoral participation, opinion survey data from Latinobarometro and LAPOP is considered. This section looks at the level of citizen participation in the institutions created by the decentralization process (the municipal level) and the participation of citizens in political movements and mobilizations that have a national reach. In addition, it incorporates the results of the expert interviews in an effort to corroborate the results. Furthermore, it focuses on the analysis of trends over the period under consideration. Also, the concentrates on the municipal and national levels of government, with the analysis placing less importance in the departmental level, because it was left conspicuously aside by the decentralization process. Lastly, the analysis takes into account the dimensions of participation, representation and deliberation.

6.4 Participation in elections

The Bolivian territory, depicted in Figure 6.1 below, has been politically divided into departments, provinces and municipal sections or municipalities. While, since the creation of Pando, at the beginning of the XX century, the number of departments has not varied, with the implementation of the LPP the number of municipalities increased over time, from 311 in 1994 to more than 335. However, the number of municipalities during the period of analysis was somewhat constant at 327. Each department represents the larger political-

administrative unit of the country and each municipality the smaller political-administrative unit. These, in turn, are the levels of decentralization. The department of Chuquisaca was divided into 28 municipalities, La Paz into 80, Chochabamba into 45, Oruro into 35, Potosi into 38, Tarija into 11, Santa Cruz into 56, Beni into 19 and Pando into 15 municipal sections.

Figure 6.1: Bolivia and its municipalities



Source: Ministry of Autonomy and Decentralization.

Each of these administrative units has its own government. The departmental governments are made up of the Prefect and the Departmental Council. The Prefect is the administrative head and the Departmental Council is the deliberative body and is composed of representatives from the Municipal Assemblies. The municipal governments are made up of the head of the local government, i.e. the Mayor who is at the same time the most important institution and the Municipal Assembly which is the deliberative body. The Mayor is the administrative head of the local government and is politically dependent and responsible to the assembly because he gets elected by it. At the same time, the civil society side is also well represented and its landscape is dominated by different corporatist groups.

The level of electoral participation was measured by observing the five electoral events that were carried out during the time frame this study selected for analysis. These elections were the general elections (elections where Congress and the Executive are elected) in 1997,

2002 and 2005 and municipal elections in 1999 and 2004. According to the author's own calculations and other sources' own numbers, the average level of participation in any given election in Bolivia for the period in consideration has been 75.93 percent. However, general elections have received, on the average, more attention than municipal elections. These elections have happened at regular intervals, portraying thus an image of electoral stability. Moreover, the level of political participation of Bolivian citizens in electoral processes was measured by a multi-level approach looking at municipal as well as national elections, as described before. The following sections in this chapter present the results of the analysis.

The participation in elections as a measure of participation related to the decentralization process has been the focus of debate since the discussions about decentralization dating before 1994. Several Bolivian scholars, who looked at this issue before the time of the introduction of the LPP tended to argue that citizen participation in elections was very weak at the municipal level. For example, Baldivia (1988) pointed to the lack of participation, especially of rural dwellers, in the 1985 and 1987 municipal elections. He substantiated his argument by citing a general lack of understanding, especially in rural areas, of who would be elected in such elections. He argued that in the first municipal elections in 1985 –first since their interruption by the 1952 national revolution—the meaning of the municipal was lost due to the concurrence of these elections with national elections, where the President, Vice-president and Congress would be elected. Still, he argued that in spite of the fact that the next municipal elections successfully took place in 1987, problems of access to voting places, official identification, local image of mayors, political relevance of government officials in the lives of local citizens, lack of presence of these officials in their districts and a general mistrust from the part of local citizens contributed to a lack of interests in election participation. For these reasons, the expectations for decentralization to encourage citizens to participate more were very high (see also Ticona et al. 1995, 157-184; Romero 2003).

After the introduction of the LPP, the opinion about the process changed. The process provided opportunities for citizens to increase their participation in elections. This is reflected as well by the experts interviewed. For example, Diego Ayo (interview No. 4)

expressed thus the expected advantage of the decentralization process regarding the participation of citizens in elections:

> "The decentralization reform together with the creation of single member district deputies in 1997 was the difference. This allowed local candidates to take part in Congress breaking the monopoly of representation."

Similarly, Gloria Ardaya (interview No. 3), a former head of the Vice ministry of Popular Participation and currently in academia, also agreed with the assessment that the decentralization process had contributed to the increase in sheer volume of participation in elections. What is more, she pointed to the gender dimension:

> "[The LPP meant] an increase in political representation. Before 1994 there were 24 municipalities and after the law there were 319. There were many more elections and candidates through elections. [Regarding the gender dimension] The law of quotas says that 30 per cent of representative posts must have women; the law of municipalities says that representation should have alternation between women and men. Many times the municipal level has been used as a spring board towards the national level."

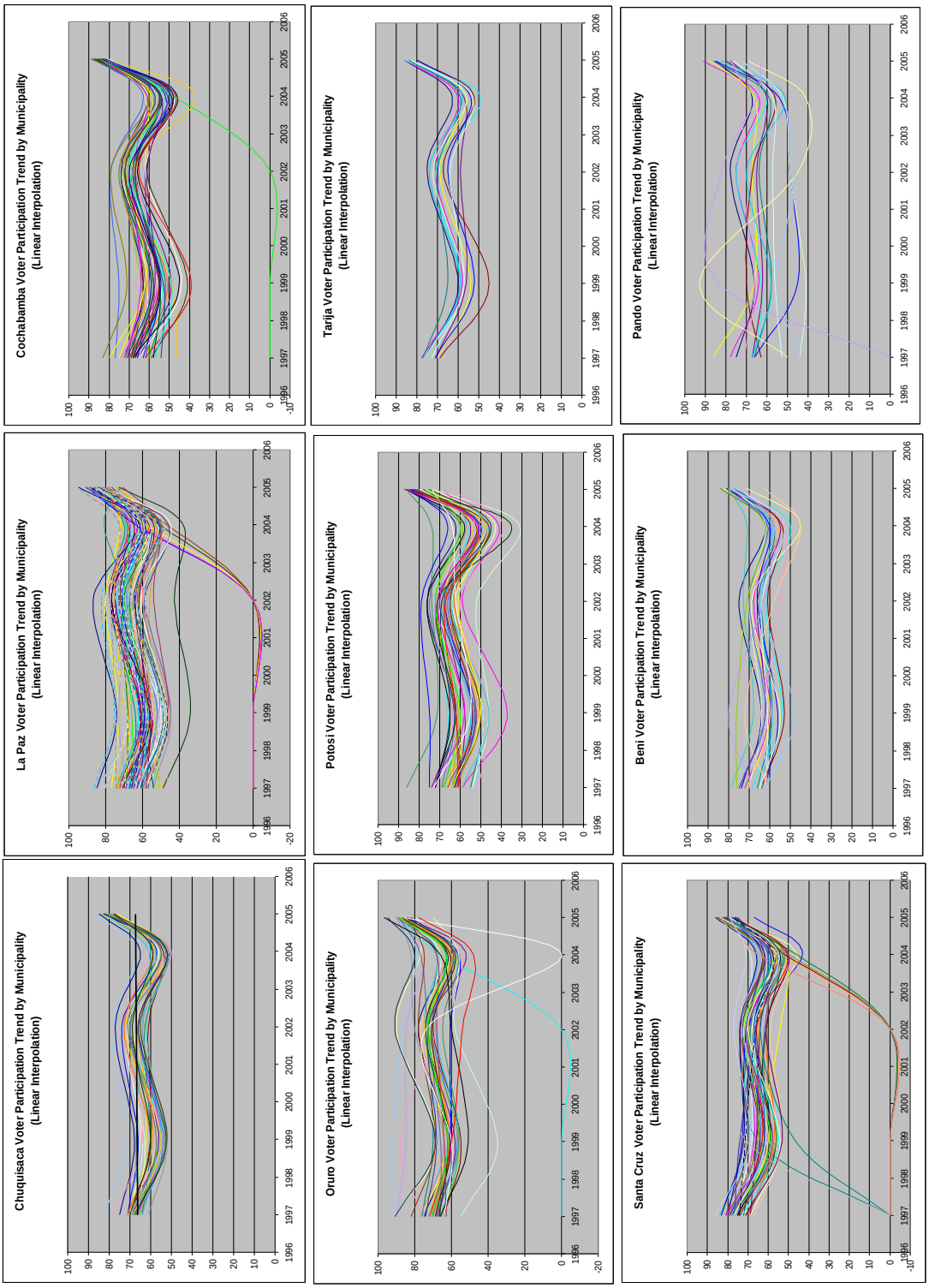
Finally, Salvador Romero (interview No. 16), who was intimately involved in various electoral processes through his participation in the National Electoral Court, highlighted the qualitative characteristics of the elections, enhanced after the introduction of the LPP:

> "The differences between elections at the national and local levels are, that the degree of participation is more at the national level (presidential elections) than at the local level (municipal elections); that the mayors are elected with a simple/absolute majority; that mayors are re-elected; and that local elections are not too political and more geared towards concrete public works, while national are more ideological. There are qualitative improvements and much less quantitative improvements in the participation in elections."

As expected, there was a difference in views between the perception of electoral participation ex post and ex ante. The ex ante perception was negative while the ex post perception was positive. This, in itself, signals a general positive trend in the perception of electoral participation among the experts. Moreover, this positive perception was shared by the general public, as will be seen later.

6.4.1 Municipal level

Graph 6.1: Matrix depicting the trends of voter turnout by municipality



Source: Own elaboration with data from CNE.

To begin the analysis of the municipal level, it is interesting to consider Graph 6.1 which presents a matrix of graphs depicting the trends of participation or voter turnout by municipality with each municipality represented by a line. Each of the individual graphs in the matrix shows the level of participation in each municipality over the period from 1997 to 2005. The data used to produce these graphs was disaggregated to the municipal level. Participation was calculated by dividing votes issued –the people who actually cast a vote—by registered voters –the universe of voters in the country since voting is mandatory. The lines were curved by using the linear interpolation method in order to show trends. Also, the analysis is relevant to the election of local authorities such as mayors and municipal assembly members.

In first place, Graph 6.1 displays several patterns. On the one side, a minimal positive trend in electoral participation in six of the nine graphs, namely Chuquisaca, La Paz, Cochabamba, Oruro, Potosi and Tarija is discernible. On the other side, the same graph shows a minimal, almost imperceptible, negative participation trend in the departments of Santa Cruz, Beni and Pando departments. Once again, this is in contrast to the expectations and opinions, not only of the central government and the general public, but also of some experts interviewed.

In addition, the shapes of the wave bands depicting the levels of participation in each municipality seems to, first, show the importance voters placed on national or general elections. From the graphs, it is observable that national elections attracted more voters than local elections. At the same time, municipal elections are signaled by the troughs of the curves, while national elections are depicted by the crests of the curves. One possible, and general, interpretation is that the issues treated at the national elections have more weight than the issues treated in local elections. This, at the same time, might be a signal that decentralization has not decentralized decision-making enough since the important decisions are still being made at the central government level. Second, the bands reflect the level of active participation across municipalities. In every department there are some municipalities that are more active or involved than others. Lastly, these bands give the range of participation across time in each department. However, this will be discussed in more detail in the descriptive analysis.

Additionally, regular and irregular patterns of voting turnout are observed from the data. Some bands of curves present themselves in a compact and regular shape, such as the Chuquisaca and Santa Cruz bands, with the exception of the newly created municipalities in Santa Cruz which are represented by the curves originating in the x-axis. The bands are characterized as compact because they are in a comparably small range of between 50 and 80 percent for Chuquisaca and between 50 and 85 percent for Santa Cruz. With regular is meant the shape of the bands which do not have many anomalies, except the exceptions already noted in Santa Cruz. The matrix reveals regularity in the shape of the wave bands, which seem to signal a regularity or stability in the average level of participation of citizens in elections over the time under consideration. It also, seems to confirm the level of importance between general and municipal elections, with the latter being less important.

Other graphs, however, show an irregular shape and a less compact spread of the band, which points to a certain level of instability in the pattern. La Paz is a good example. La Paz's graph shows some municipalities that have a participation rate of less than 40 percent and others that have a participation rate of between 80 and 90 percent. This a relatively large spread indicating a less compact shape and therefore more variation. A similar picture is depicted in the Oruro graph. There are municipalities that display a less than 40 percent participation rate (one did not even take part in the 2004 municipal elections), while others have a participation rate that reach the 90s. The variation shown in the graphs of departments such as La Paz or Oruro might be due to the lack of attention of decentralization on other factors such as access to voting precincts or lack of personal documentation; in Bolivia, not every person holds and identification card or, much less, a passport. This happens in spite of the fact that registration to vote is mandatory and therefore every voter in Bolivia should have documentation. Some times the documentation problem compounds itself where those who do not have access to voting because they might live too far away from precincts also lack documentation. In addition, the variation might also show a level of saturation with the electoral process.

Furthermore, there are those municipalities where the pattern of participation between elections is highly irregular. That is, a municipality might participate in some elections less

and in others more or the elections cycle of national and municipal elections might be reversed. One possible example for the mentioned irregular pattern of participation might be Pando. As observable in the graph, the shape of the wave band is noticeably disperse. In the graph we can see that one municipality was created which took part in the 1999 municipal elections, namely the third municipal section in the General Federico Roman province. This might have been an early effort to reorganize the territory and improve the participation. We can also observe that the participation of this new municipal section, first shot up to the 90 percent of participation and from then on the participation in elections took a dive to reach a low of 63 percent in 2005. Another municipal section that stands out is the second municipal section in Abuna province. This province reached a 93 percent of participation in the 1999 municipal election, which is very rare for Bolivia due to the importance given to national elections, while in the 2004 municipal elections participation only reached 41 percent. This oddly behavior might owe to the fact that some voters in these municipalities have to some times travel hundreds of kilometers to reach the closest town. This would explain that in the first elections people made an effort to reach the voting precincts and cast their votes, but with time disenchantment set in and few bothered to vote in the subsequent elections.

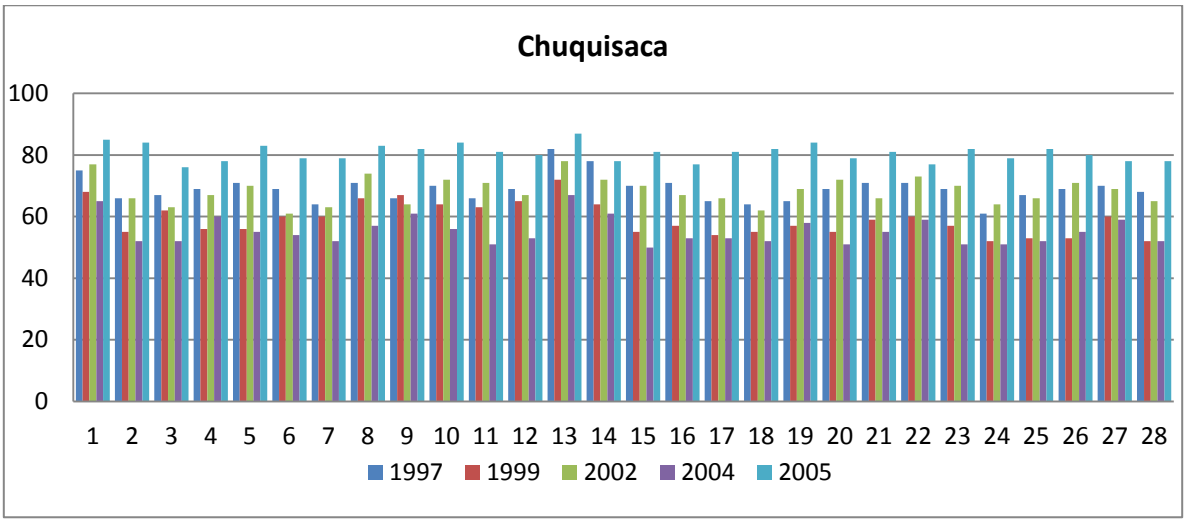
Another aspect highlighted by the matrix is how the decentralization process reshaped the municipal landscape by increasing the number of municipalities. In addition, it is noticeable that the general election in 2005 was the most important elections from this period, that is, almost every municipality had a participation rate of above 65 percent. Lastly, the matrix reveals the relatively low enthusiasm with which newly created municipalities[56] joined the electoral cycle, with the exception above cited. For example, in La Paz, of the five new municipal sections, Larecaja's seventh and eighth sections showed an unimpressive 51 and

[56] Some of the graphs, specifically, the La Paz, Cochabamba, Oruro and Santa Cruz graphs, show the process of municipality creation. In La Paz, for the 2004 municipal elections there were five new municipalities created, namely municipal sections seventh and eighth in the province of Larecaja and municipal sections fifth, sixth and seventh in the province of Ingavi. Similarly, a sixth municipal section in the province of Carrasco was created in Cochabamba and in Oruro a third municipal section was created in the province of Cercado. But, only Santa Cruz displays the early attempts at creating local governments using the decentralization process. Two municipal sections were created that participated already in the 1999 municipal elections, these were the second municipal section in the province of Warnes and the fifth municipal sections in the province Ñuflo Chavez. In addition, five new municipalities could participate in the 2004 municipal elections. These were the fourth municipal section in the Ichilo province, the third municipal section in the Sara province, the fourth and the fifth municipal sections in the Obispo Santiestevan province and a sixth municipal section in the Ñuflo Chavez province.

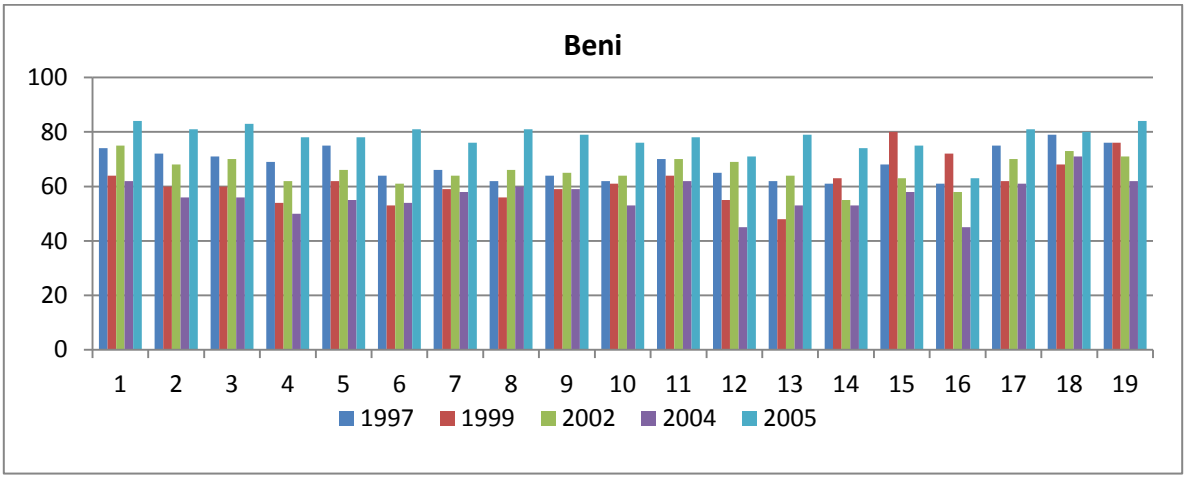
47, respectively, percentage of participation in 2004. Cochabamba's Carrasco municipal section number six scored a 48 percentage of participation in 2004. While Oruro's municipal section scored an enthusiastic 66 percent of participation in its first elections in 2004, Santa Cruz's municipal sections present a mixed picture. From the two municipal sections that first participated in 1999, Ñuflo Chavez's fourth section scored 47 percent while the fifth section scored an impressive 71 percent turnout and the Warnes province' second section scored a, not so impressive but still significant, 65 percent of participation. At the same time, the other newcomer municipalities scored an average of 53 percent participation, with just one, Obispo Santiestevan's fifth section falling below the half threshold to 46 percent for the 2004 elections.

However, and interestingly enough, a more local and therefore deeper view of the electoral participation of citizens in Bolivian municipalities helps to reveal and therefore better explain the above mentioned irregularities in the shapes of the graphs presented in matrix above. This level of dissection of the Bolivian case can be obtained from the following analysis. Graphs 6.2 to 6.10 below, each presents the percentage of participation in a given election per municipality in a department, with each municipality represented on the horizontal axis. This way, the vertical read of the graph gives a depiction of voter turnout in a single municipality. Moreover, the graphs provide a comparison among all municipalities in each department. In them it is possible to observe the general trends in much more detail as well as the distinctions within each department among municipalities in the context of each electoral year under observation. What follows is a systematic descriptive statistics analysis of the data focusing on the municipal level.

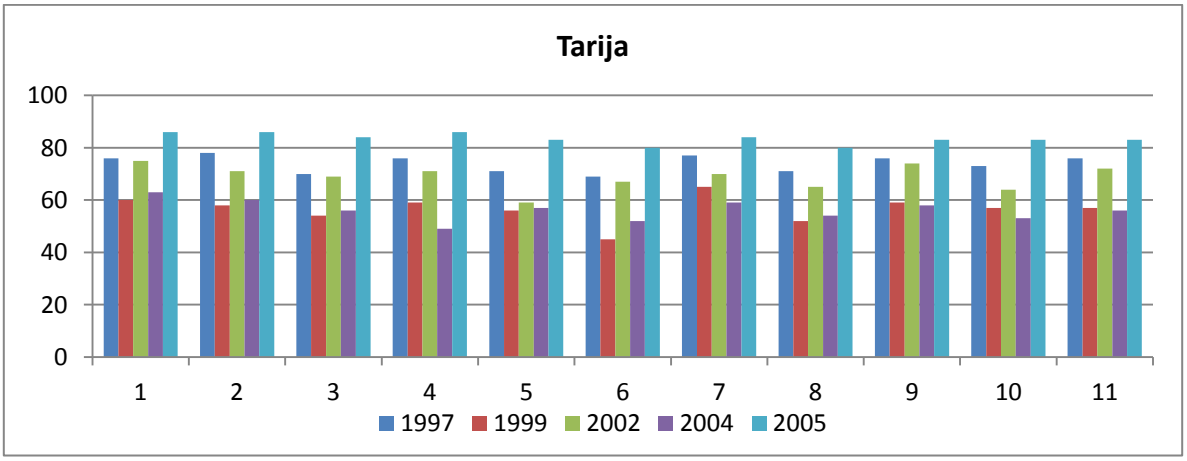
Graphs 6.2, 6.3 and 6.4: Chuquisaca, Beni and Tarija percentage voter participation by municipality per election year



Source: Own elaboration.



Source: Own elaboration.



Source: Own elaboration with data from CNE.

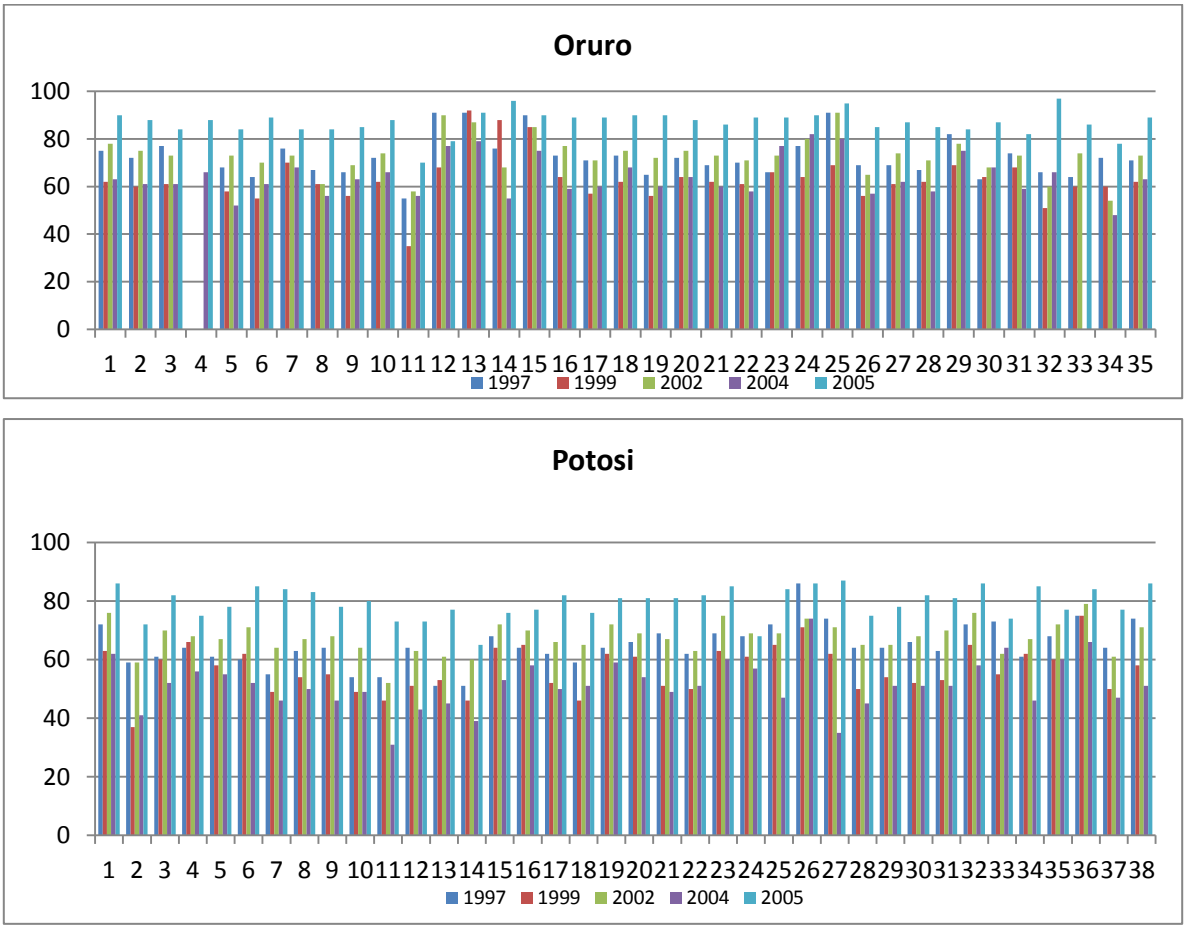
Graphs 6.2, 6.3 and 6.4 present several similar characteristics. For example, the first graph from Chuquisaca, Graph 6.2, suggest the prioritization of general elections over municipal elections. It is clear from the bar chart that the bars depicting the general elections 1997, 2002 and 2005 are the highest bars in each representation of a municipality when compared to the municipal election bars. However, among these, the prioritization does not seem to follow a regularly increasing trend from 1997 to 2005, rather there are differences pointing to an irregular pattern of prioritization depending on particular issues in each municipality. For example, between the general elections in 1997 and 2002, there were some municipalities that attributed more importance to 1997, while others voted in more numbers in 2002. By the same token, it is clear from the graph that the 2005 general election was the one election with the most voter turnout and in consequence arguably considered by citizens to be the most important in the entire period of observation.

Regarding the particularities within the Chuquisaca municipalities it is interesting to highlight some municipalities. For example, the fourth municipal section (number 13 in the graph) in the Tomina province reveals that this municipality has had the highest level of participation in each of the elections under observation (82, 72, 78, 67, and 87 percent in 1997, 1999, 2002, 2004 and 2005 respectively). This might be an indication that decentralization allowed the high motivation from the part of the citizens in exercising their right to vote to take place or it was a sign of over participation as some experts pointed out. On the other hand, while some municipalities seem to be consistent on their level of participation, such as the municipality mentioned before, other municipalities do not show consistent levels of participation, i.e. either high or low over the whole period of observation. An example of this are the second municipal section in the Oropeza province and the first and fourth municipal sections in the Zudañez province (numbers 3, 6, and 9 in the graph), which have a lower level of participation in the general elections of 2002 compared to the turnout in the previous elections 1997 and 1999. Finally, if the general elections in 2005 are not considered, the majority of the municipalities seem to move between the 50 to 70 percent range of participation, which is a still high level of participation.

The municipalities in Beni and Tarija (Graphs 6.3 and 6.4) present a similar picture as the Chuquisaca graph, but with some differences. In the case of Tarija, the general election in 1997 had a slight, but visible, order of priority than the one in 2002. This observation points to a declining trend from one general election to the other. From the graph it seems that the Tarija municipalities placed importance in going to vote in 1997 and less importance in 2002. A similar picture presents Beni, yet not as pronounced as Tarija. Another thing to highlight in the Beni graph is the turnout in the first municipal section in the Ballivian province, and the second and third municipal sections in the Mamore province (numbers 5, 15 and 16 in the Beni graph). In the first municipality, the voting turnout in 1997 exceeds those of the three subsequent elections, regardless of whether they were general or municipal. For the next two municipalities, the turnout in 1999 exceeded that of all other elections (80 and 72 percent respectively), including the one in 2005. In the case of the Tarija municipalities, out of pattern municipalities are observed but with minor differences. Once again, excepting the 2005 elections, the level of participation seems to narrow somewhat to between 55 and 69 percent.

The most important conclusions that arise from these graphs are: a) there was a general priority set to the general elections in 2005; b) this prioritization of general versus municipal elections is vaguer when the general elections in 2005 are excluded. A closer municipality by municipality analysis reveals a much more diffuse picture where some municipalities reverse this prioritization and give more importance to earlier elections with some municipalities even prioritizing municipal elections higher than general elections; c) the seeming positive trend in participation might be skewed by the large participation percentages in the general elections in 2005.

Graphs 6.5 and 6.6: Oruro and Potosi percentage voter participation by municipality per election year



Source: Own elaboration with data from CNE.

An even vaguer picture emerges from the analysis of the municipalities in Oruro and Potosi (Graphs 6.5 and 6.6) and even more irregularities are noticeable when considering Graphs 6.7, 6.8 and 6.9, corresponding to La Paz, Cochabamba and Santa Cruz. For example, Graph 6.6, for Potosi; shows examples of noticeable levels of apathy that some municipalities displayed. Most noticeable are the cases of the first municipal section in the Tomas Frias province (number 2 in the graph) with a 37 percent turnout in 1999 and 41 percent in 2004 and the first municipal section in Chayanta province (number 11 in the graph) with a turnout of 31 percent in 2004. While they show that voting in the 1999 and 2004 municipal elections did not matter as much as general elections, the level of voter turnout in every election was conspicuously low. This apathy is also noticeable in the voter

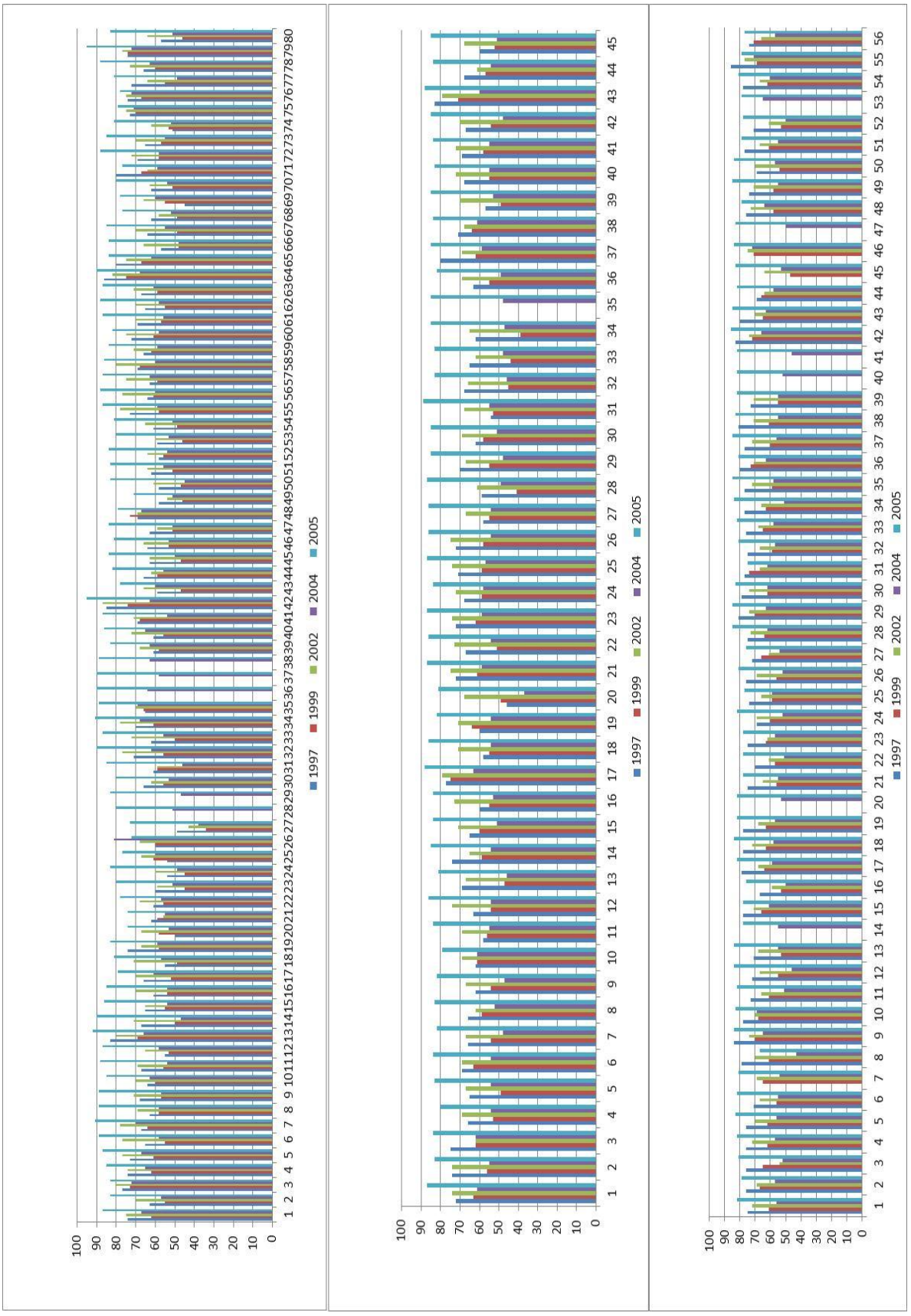
turnout of the third municipal section (number 27 in the graph) in the Sud Lipez province in Potosi, with 35 percent of participation in 2004. Similarly, the level of participation in the first municipal section of the Litoral province in Graph 6.5 (number 11 in the graph) presents an equally conspicuous level of apathy. The municipality presents a 35 percent voter turnout in 1999 and an average of 55 percent for 1997, 2002 and 2004. Even in 2005, the municipality scored among the lowest levels of participation with 70 percent. Contrasting this perceived apathy, however, is the second municipal section of the Sud Lipez province (number 26 and adjacent to the previously mentioned number 27) which has managed to turnout to vote in significant numbers, above 71 percent, in all the elections under observation. Similarly, Oruro's second municipal section in the Sajama province (number 12 in the graph), third municipal section in the Litoral province (number 15), and the second municipal section in the Atahuallpa province (number 25), all show relatively high levels of participation in the elections.

Finally, graphs 6.5 and 6.6 show an increasing trend of voter participation from one general election to the next, thereby contrasting the prior set of graphs. This is observable even if the participation numbers in the 2005 general elections are excluded. However, this positive trend is starkly contrasted with the levels of apathy seen in these graphs. The irregularities observed above make it difficult to discern, an overall increasing trend for participation adding thus more vagueness to the picture.

The search for clear trends becomes more blurred when considering the departments that have the most municipalities, La Paz (Graph 6.7), Cochabamba (Graph 6.8) and Santa Cruz (Graph 6.9). To begin with, the level of comparable apathy of some municipalities is clearly observable in these cases as well. In Graph 6.7, for example, the sixth municipal section in the province of Larecaja (number 27 in the graph) displays a significant level of participation apathy with only 34 percent of voters turning out to vote in 1999. Moreover, if we observe the voter participation level in this municipality in the other electoral years, it is noticeable that the levels of participation are very low as well, 49, 43, and 38 percent in 1997, 2002, and 2004 respectively. In similar terms, Graphs 6.8 and 6.9 also show this level of apathy to participate. In the first graph, Cochabamba, the voter turnout in the third municipal section in the German Jordan province (number 20 in the graph), the third

municipal section in Chapare province (number 28), and in the fifth municipal section in the Carrasco province (number 34), show the lowest levels of voter turnout at below 40 percent. In addition, in the second graph, Santa Cruz, one municipality, the first municipal section in the Velasco province, was close to 40 (43 percent) in the 2004 elections. This level of electoral participation is conspicuously low in a country with above 60 percent electoral participation. By the same token, the three graphs also display motivated municipalities. For instance, in Graph 6.7, La Paz, municipalities number 42 and 79, namely the fourth municipal section in the Loayza province and the second municipal section in the Jose Manuel Pando province, display a motivated level of participation with a range of above 70 percent of voter turnout, sometimes reaching the mid-nineties mark.

Graphs 6.7, 6.8 and 6.9: La Paz, Cochabamba and Santa Cruz (left to right) percentage voter participation by municipality per election year

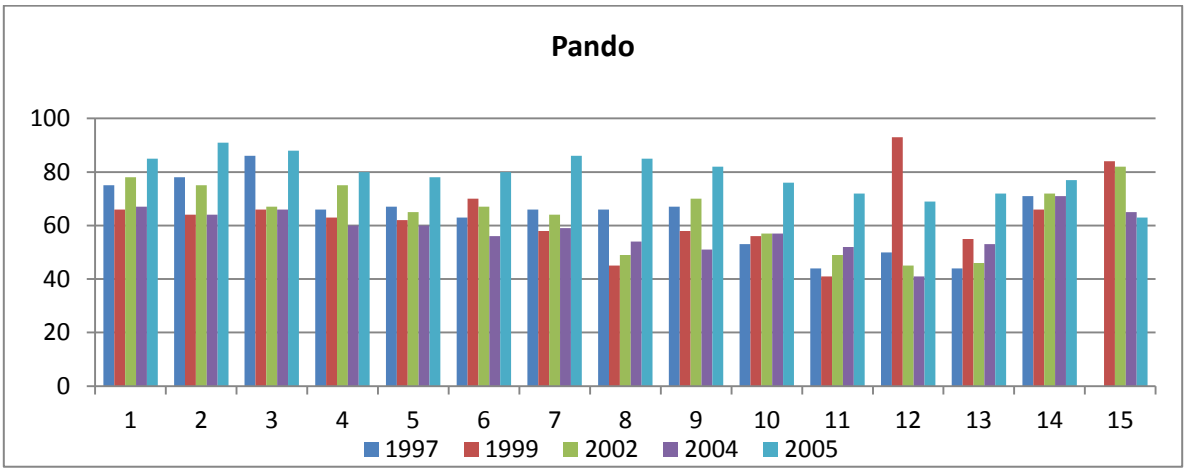


Source: Own elaboration with data from CNE.

However, the most noticeable characteristic in these three last graphs is the overlapping in levels of participation among election years. This means that for some municipalities, the above observed tentative conclusion that general elections are more important than municipal elections is much less valid. In fact, many municipalities seem to have placed more importance in municipal elections than on general elections. For example, Graph 6.7 depicts that the fifth municipal section in the Inquisivi province (number 48 in the graph) turned out to vote in 1999 in larger numbers (73 percent) than in 1997, 2002, and 2004, albeit the difference was not very much (69, 69, 67, respectively) but the trend was negative. This can be seen more clearly with the turnout of the fifth municipal section in the Larecaja province (number 26 in the graph). This municipality turned out to vote in 2004 with 81 percent, which is even significantly higher than the participation in 2005 (72 percent), an election year that has had the highest levels of electoral participation among the elections under consideration.

Lastly, some municipalities displayed that earlier election years seem to have been more important than latter electoral years thereby showing a clear negative trend. For example, from Graph 6.7, the second municipal section in the Bautista Saavedra province (number 71 in the graph) displays an 80 percent voter turnout rate in 1997, which is even higher than the turnout in 2005 (77 percent). In Graph 6.9, the second municipal section in the Velasco province (number 9 in the graph) shows an equal level of participation (84 percent) in 1997 than in 2005, the fourth municipal section in the Vallegrande province (number 31 in the graph) shows a 77 percent in voter turnout in 1997 compared to 75 percent in 2005 and the second municipal section in the Guarayos province (number 55) depicts a not so insignificant 86 percent of turnout in 1997 compared to 79 percent in 2005.

Graph 6.10: Pando percentage voter participation by municipality per election year



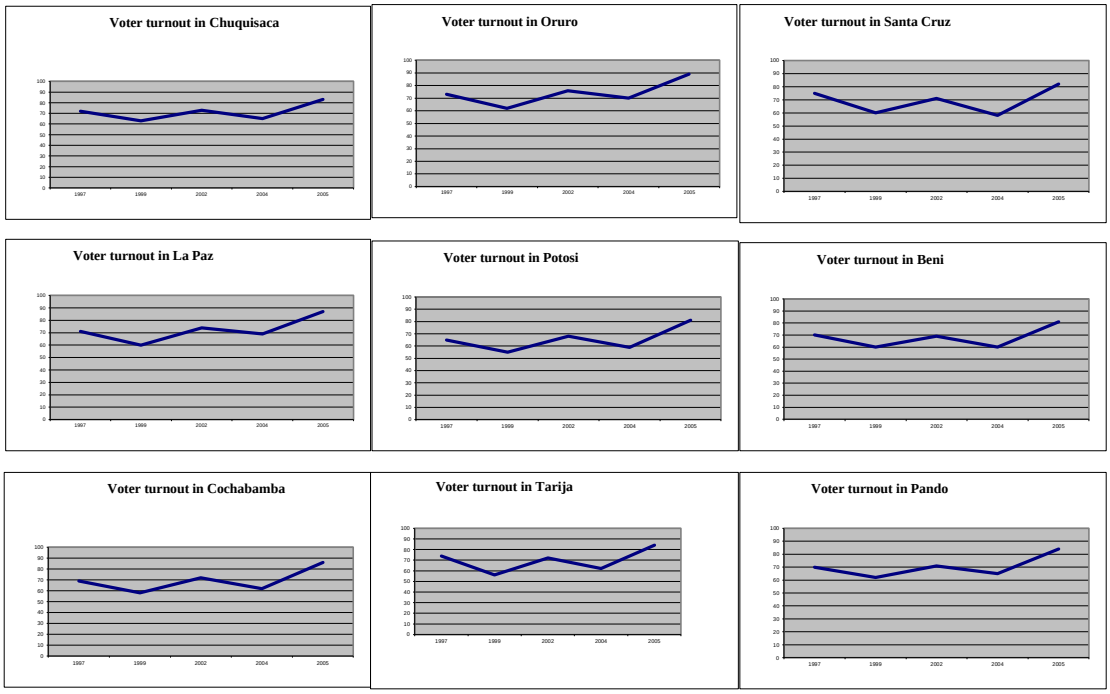
Source: Own elaboration with data from CNE.

Lastly, Graph 6.10 depicting Pando's voter participation highlights the irregularity of the picture and the fact that each municipality had, more or less, its own pattern of participation in the elections under consideration. This makes it difficult to recognize a clear pattern of voter participation evolution over time. Even though, we can still see the importance attributed to the 2005 general elections, the order of importance among the other electoral years is hard to distinguish. Moreover, there was a visible level of apathy displayed by many municipalities as well as other municipalities showing a level of over participation. The analysis has shown an unclear effect of electoral participation in Bolivia.

6.4.2 Departmental level

Graph 6.11 presents a picture of voter turnout in each of the nine departments. The analysis of electoral participation at this level of government presents a much clearer distinction between the participation in the municipal elections 1999 and 2004 and the general elections in 1997, 2002 and 2005. This just points to the fact that, on the average, people have turned out to vote in larger numbers in general elections where they elected the president and Congress. In other words, as we go up the level of abstraction, the nuances in each municipality tend to converge around an average value. Therefore, the graphs show that the turnout for local elections has been consistently lower. The analysis is valid for Congress and its members, since Deputies and Senators do represent departments.

Graph 6.11: Departmental voter turnout trend matrix



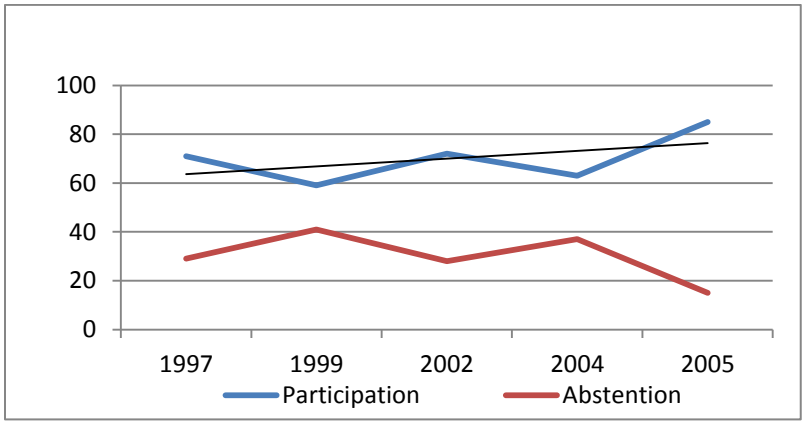
Source: Own elaboration with data from CNE.

In addition to the above observation, the analysis of Graph 6.11 revealed three groups of graphs. The first group includes Chuquisaca and Beni and shows a rather flat trend in voter participation. The Chuquisaca graph seems to have a minimal positive trend, but for all intents and purposes, the curve can be said to be flat. The Beni curve presents a clearly flat trend in participation along a band of between 60 and 70 percent, i.e. a narrow band of 10 percentage points. A second group, which includes the majority of the departments, Oruro, La Paz, Potosi, Cochabamba, Tarija and Pando, present a clearly defined positive trend in participation at the departmental level over the time under consideration. The case of Oruro, for example, shows that the participation in election in the 1999 elections, which was the lowest level of participation in this department, was little above 60 percent. If we compare this with the turnout in the other municipal elections in 2004, we can see that, this time, voters turned out to vote in a larger percentage (around 70 percent). A similarly clear picture emerges from considering the La Paz case. If we compare the two lowest points of the curves or troughs, we can see that in 1999 voter turnout was around 60 percent and in

2004 was a little less than 70 percent. Third, the last case of Santa Cruz department presents a visible negative participation trend. Once again, if we compare the lowest points or troughs we see that the 1999 point presents a participation level of around 60 percent and the 2004 point presents a participation level of around 56 to 57 percent. Finally, a look at all the graphs reveals a general level of participation between 60 and 80 percent. But, this final point will be better displayed in the next section.

6.4.3 National level

Graph 6.12: Percentage of national voter participation



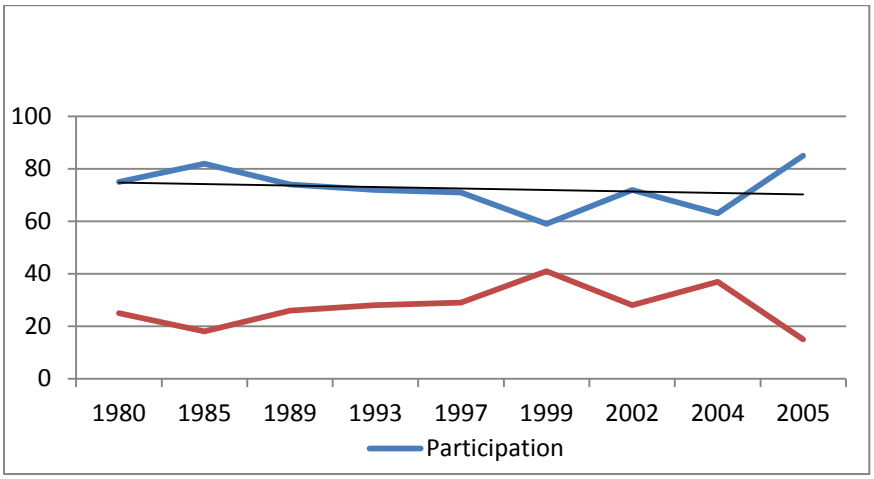
Source: Own elaboration with data from CNE.

A look at the national level data reveals, first, the same order of importance or differentiation between general and municipal elections. Second, it confirms the tentative conclusion made before regarding the general level of participation in elections having been between 60 and 80 percent, i.e. a 20 percentage points of difference. Third, it reveals a clear positive trend for the participation of citizens in the elections from 1997 to 2005. This suggests that during the implementation of the popular participation process, the level of citizen participation in elections has increased, over all, therefore confirming the hypothesis introduced in this dissertation.

However, and in order to benefit from a perspective over a longer period of time, the picture changed significantly after including the electoral participation of prior election

years, namely from 1980 on. This little exercise revealed a different picture than the one portrayed above.

Graph 6.13: Percentage of electoral participation at the national level in general and municipal elections



Source: Own elaboration with data from CNE.

What Graph 6.13 reveals is an overall neutral to slightly negative trend of the voter turnout in Bolivia over the period between 1980 and 2005. While the general trend in voter participation might have been more or less flat to slightly negative over the longer run, there is a clear positive trend of voter participation in the period under consideration, i.e. the decentralization period. Albeit, this positive trend is not as clear as some of the experts interviewed expected or suggested. For example, the architect of the LPP, Carlos Hugo Molina (interview No. 14), when asked about the success or failure of the LPP on political participation said:

> "… [T]he doubt and question has been whether it is necessary to pass a law to have citizen participation and it seems that the answer is negative because participation is a right and as such it can be exercised at any time, but according to other experiences public policy is needed to be able to transcend a variety of factors that might impede participation and to institutionalize it through public policy."

In similar fashion, according to Miguel Urioste (interview No. 19), another expert interviewed said about the LPP process:

> "… [The LPP] helped consolidate democracy. It helped grow citizenship, participation and the inclusion of the rural world in politics through their own organizations and indigenous political parties."

Finally, Salvador I. Romero (interview No. 16), an elections expert, said that:

> "The differences between elections were at the national and local levels. The percentage of participation was greater at the national level (in presidential elections) than at the local level … [at the municipal level] local elections were not too political and more geared towards concrete public works whereas, at the national level, the elections were more ideological."

Electoral participation seems to be rather independent from the decentralization process. As seen above, electoral participation seems to be little too diffuse and therefore inconclusively linked with the decentralization process.

6.5 Participation in the political process

This section focuses on the analysis of the population survey data, which provides a picture of citizen participation in the political process and the institutions created by the decentralization. In specific terms, this section elaborates on what in this study is referred to as non-electoral political participation. The data gives two kinds of initial impressions. One first impression is the depth of the population's participation in a given year. More specifically, the extent to which people or citizens involved themselves, based on own initiative and conviction, in the political process thus taking advantage of the political spaces that were created by the decentralization process. The second impression has to do with the recognizable trends or the evolution of participation through the observation of discrete points over a number of years. In particular, the participation in the various political spaces created or reformed by the decentralization process. The surveys show these trends because they were carried out on a yearly basis, with each year referring to the year before. Furthermore, the analysis concentrates on the national and the municipal level due to the focus of the survey. The answers analyzed here are the representation of citizen's opinions and experiences on their participation in either an institution at the national level or an institution at the municipal level. No question in either survey addressed the participation at the departmental level. This, in turn, confirms the relative disinterest on the

departmental level of government from the part of the government – as well as other actors who funded the surveys – on the mentioned level of government.

6.5.1 Municipal level

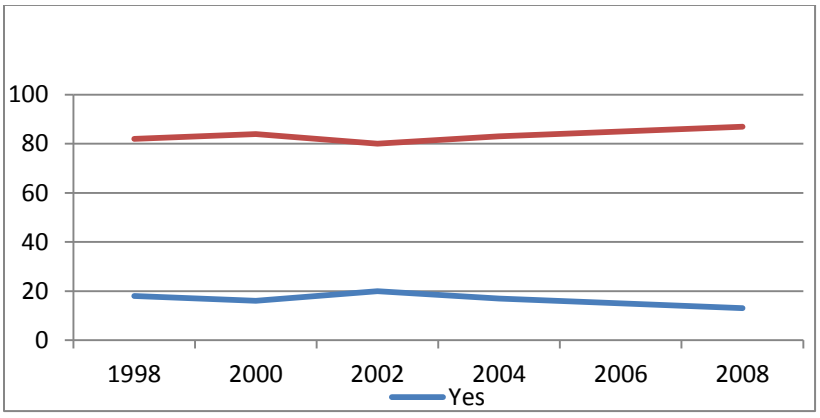
Citizen participation at the municipal level, in the sphere of government and of civil society, was practiced in the various assembling, consultative and representative bodies the decentralization process created for that specific purpose. On the one side, as mentioned earlier, a major result of the decentralization process was the creation of over 311 municipal governments all over the Bolivian territory. These new governments needed direct citizen involvement in the local bureaucracies, the offices of the Mayor and the Municipal Assemblies as well as the other newly created institutional arrangements such as the POA and the various *juntas*. Moreover, citizens could join the political process as candidates. On the other side, citizens could take part in the political process through the new role of civil society institutionalized organizations such as the OTBs or the CVs. The process of involvement in the OTB, which was the first step, was that citizens had to have first become involved in a local civil society organization and then had to have applied for the official accreditation of such an organization as an OTB. Only then, when the institutionalized civil society organization was accredited as OTB, could the organization send representatives to the diverse assembling or consultative bodies. These mechanisms for participation included the VC or Vigilance Committee, school *juntas*, and health committees. In addition, citizens still had the opportunity to express opinions in town hall meetings and public audiences organized by the local governments.

The analysis in this level distinguishes among four types of institutions divided in two groups. The first group is the governmental institutions, which includes the participation in public Municipal Assembly meetings, the formulation of the POA and the School *Junta*. The second group includes the institutionalized meetings for the betterment or the treatment of problems of a specific community. The governmental institutions seek to capture the level and trends of people's participation regarding three of the most important institutions the decentralization process created. The participation in the public Municipal Assembly meetings and the School *Juntas* have deliberative and representative functions, while the

POA has a mainly consultative one. The second group of institutions included in the analysis was the one referring to community involvement. The analysis of these institutions seeks to capture the level and trends of participation of citizens in the political spaces also created as well as reformed by the decentralization process. In this case the analysis focuses on the participation of citizens in community meetings about solutions to community problems as well as community betterment. These are more consultative spaces which aim at showing the level of participation in entirely voluntary basis. An additional type of institutional participation focuses on the participation of citizens based on religious beliefs and professional incentives. These serve to contrast the other clearly political activities, although they might not entirely be apolitical. Finally, the national level of institutional participation included in the analysis focuses on the level and trends of participation in social movements and public protests. These are institutionalized types of participation that cover the national level, judging from the question that was formulated in the survey.

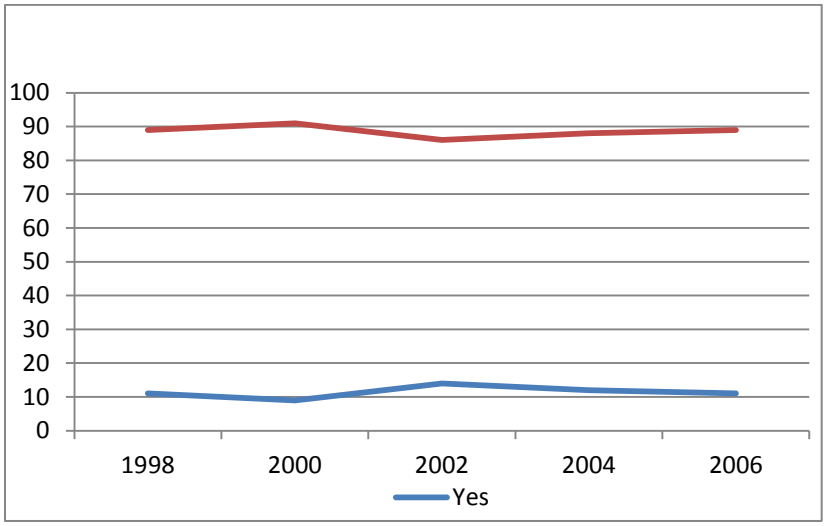
Following this line of analysis, the graphs below, 6.14 and 6.15, show the level of participation of citizens in the local government's institutions, the Municipal Assembly's public meetings and its policy formulating process, the formulation of the POA.

Graph 6.14: Percentage of citizen participation in a Municipal Assembly organized meeting



Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 6.15: Percentage of citizen participation in the POA process



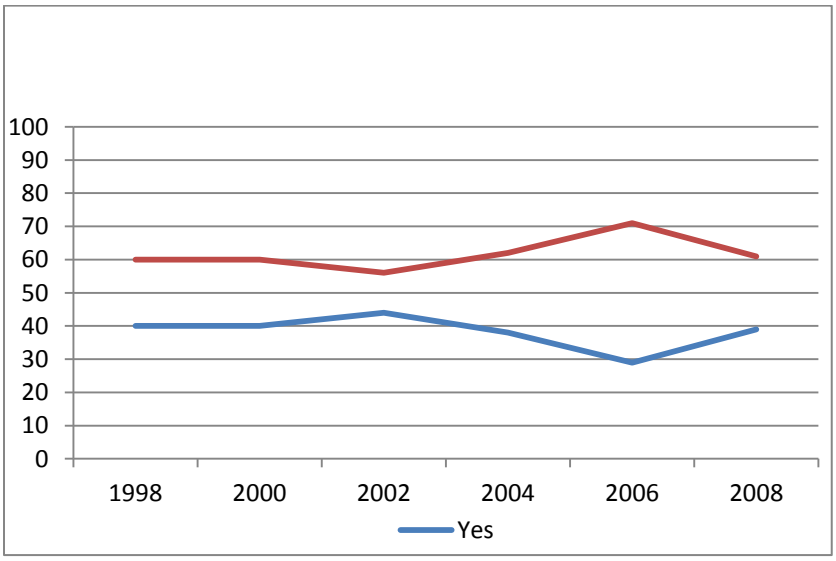
Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 6.14 suggests that the percentage of citizens taking part in a public meeting held by the Municipal Assembly was between 10 and 20 percent over the 1998 to 2008 period. The peak participation (20 percent) can be observed in 2002 and the lowest percentage of participation (13 percent) in 2008. The trend shows an increase in participation from 1998 to 2002, while from 2002 on the graph depicts a negative trend in the participation of citizens in such meetings. Considering the reverse side, 80 to 90 percent of the people said that they did not participate in any public meeting of the Municipal Assemblies. Moreover, according to the graph, the number of people who did not participate increases starting 2002 to 2008. Similarly, Graph 6.15 depicts the participation level of citizens in the formulation of an operative plan for the local government which is worked on annual basis. This plan determines the level of local investment and sets the public investment priorities of the government. According to the survey, around 10 to 15 percent of the survey respondents said they had taken part on such a process. The highest level of participation was seen in 2002 (14 percent) and the lowest in 2000 with nine percent. The trend from 2002 to 2006 can be considered to have declined if we take into account that the level of participation in 2006 was 11 percent. Looking at the percentage of non-participants, it is possible to say that very few people participated in the POA process, i.e. some 90 percent

of the people did not take part in the formulation of policies and goals for the local government.

This picture suggests a relative low interest from the part of citizens to take part in the political spaces created by the decentralization process, especially those that the process places significant emphasis on. This is confirmed by the number of people who say they did not take part in such mechanisms of participation. In addition, the above suggests that there was a certain level of local elite creation if we consider that around 10 to 15 percent of the people questioned affirmed they had taken part in policy formulation mechanisms.

Graph 6.16: Percentage of citizen participation in a meeting on the solution of community problems

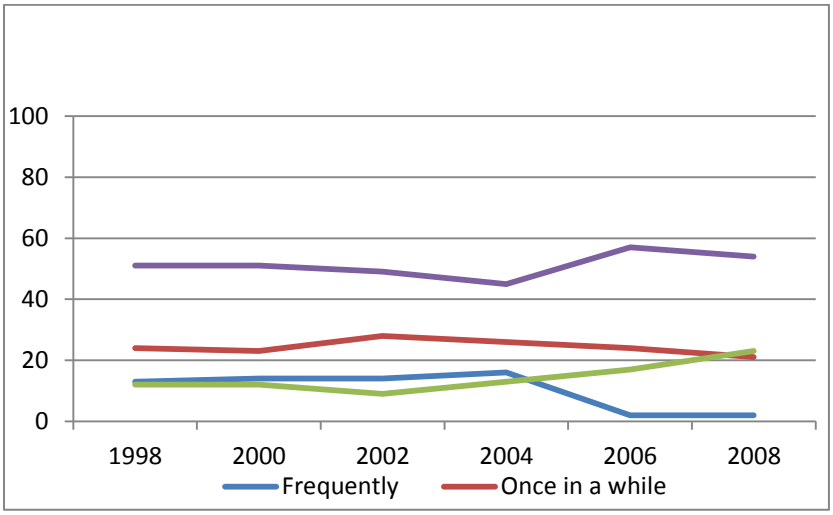


Source: Own elaboration with data from LAPOP and Latinobarometro.

When it comes to participating in the community, the analysis reveals a higher level of citizen participation but, at the same time, an increase and decrease cycle. Graph 6.16 shows the level of participation of citizens in meetings held to find solutions to community problems. The responses to the survey suggest that, between 29 and 44 percent of the people have taken part in such meetings. The lowest level of participation was in 2006 with only 29 percent attending one of those meetings and the highest level of participation was in 2002 with 44 percent of participation. Over the period under observation, there is a slight

positive trend of participation in and around 40 percent from 1998 to 2002. However, this positive trend turns negative from 2002 to 2006, with another positive trend to 2008. Furthermore, considering the other side of the coin, an average of more than 60 percent of citizens has never taken part in a meeting to talk about the community's problems. This is a rather large percentage of citizens disinterested in taking part in the issues of their community.

Graph 6.17: Percentage of citizen participation in a community betterment meeting

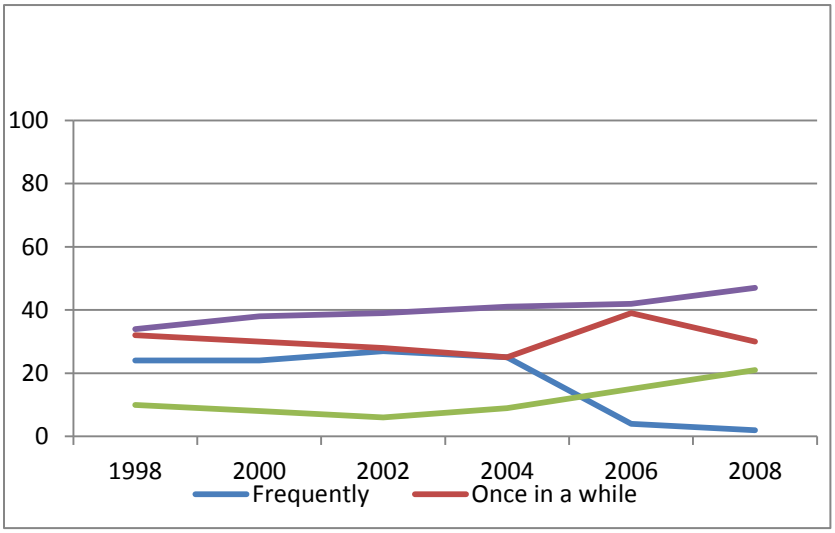


Source: Own elaboration with data from LAPOP and Latinobarometro.

The rather ambiguous picture observed above is further confirmed in Graph 6.17. It shows the level of participation of citizens in a meeting for community betterment. According to the survey, between two and 16 percent of the people have frequently taken part in such meetings; however, the number of people has tended to diminish to two percent for the last two years, 2006 and 2008. Moreover, a larger number of people, between 20 and 30 percent, have participated once in a while, albeit the tendency seems to be negative in the last years. Furthermore, citizens that have almost never attended have fluctuated around 10 percent between 1998 and 2002, while from 2004 to 2008, the number of people who almost never participated in such meetings has tended to increase. If we add the latter group of people to the people who never participated in such a meeting (between 45 and 57

percent), the number of people who almost never or never participated would make more than half of the population in any given year under consideration.

Graph 6.18: Percentage of citizen participation in a School Junta meeting

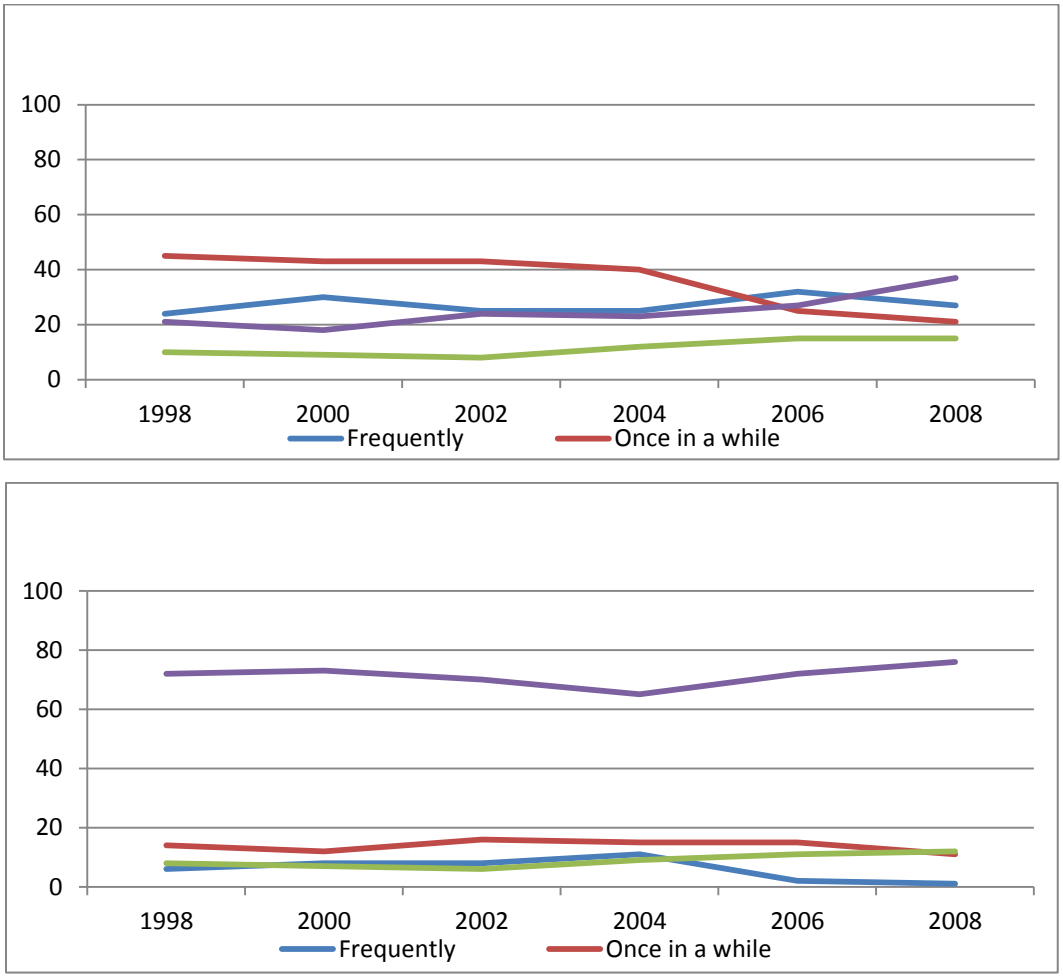


Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 6.18 presents the level of citizen participation in meetings of parents in School *Juntas*, where discussions about education-related issues are held. Over the period under observation, the level of participation of those who never and almost never attended these meetings seems to have increased. The number of those who never participated ranges between 34 and 47 percent, with the highest level being in 2008. Similarly, the level of participation of those who almost never participated tended to range between 10 and 21 percent, with 2002 showing the lowest level and 2008 the highest. Most interesting is, however, the level of participation of those who frequently took part in such meetings and those who only did so once in a while. Over the same period, the percentage of people who frequently participated tended to sharply decrease from 24 percent in 1998 to just two percent in 2008, with the period 2004/2008 experiencing the sharpest decrease. At the same time, the percentage of participation of those who once in a while attended such meetings increased over the same period and this increase is visibly since 2004. This indicates that the percentage of people who were frequent participants in those meetings reduced that frequency to once in a while. It is noticeable, however, that the percentage of people who

never or almost never participated in those meetings fluctuates around 50 percent. That would mean that at least half the population does not regularly take part in meetings addressing education issues in the community.

Graphs 6.19 and 6.20: Percentage of citizen participation in meetings of religious groups and professional associations



Source: Own elaboration with data from LAPOP and Latinobarometro.

Graphs 6.19 and 6.20 present a picture of citizen participation –it can also be called level of engagement—in the civil society dimension. The OTBs, wherever the case may be, are made up of, for example, religious organizations and professional associations. Graph 6.19 presents a picture of a country where religion seemingly does not play a significant role, but the participation in meetings of religious nature is not insignificant either. Over the entire

period under observation the participation of those who frequently attend those meetings seems to have marginally increased since 1998. Those citizens who frequently participate in such groups tended to fluctuate between 24 and 32 percent, with two peak years shown in 2000 and 2006, with 30 and 32 percent respectively.

In contrast, those citizens who participated only once in a while have tended to diminish in numbers, according to the survey. While in 1998, 45 percent participated in such meetings, there is a marginal decrease over the period from 2000 to 2002. What is more, the graph shows a clearer negative trend from 40 percent in 2004 to 20 percent in 2008. Finally, those who never and almost never participated in meetings of religious nature did not make up a significant percentage of the population in 1998 whereas in 2008 that percentage reached 52. In 1998, for example, 21 percent never participated and 10 percent almost never, a total of 31 percent. In 2004, people who never participated made up 23 percent of the population and those who almost never participated made 12 percent, a total of 35 percent. By 2008, however, those who never took part in such meetings made up 37 percent of the population and those who almost never made up 15 percent, totaling 52 percent.

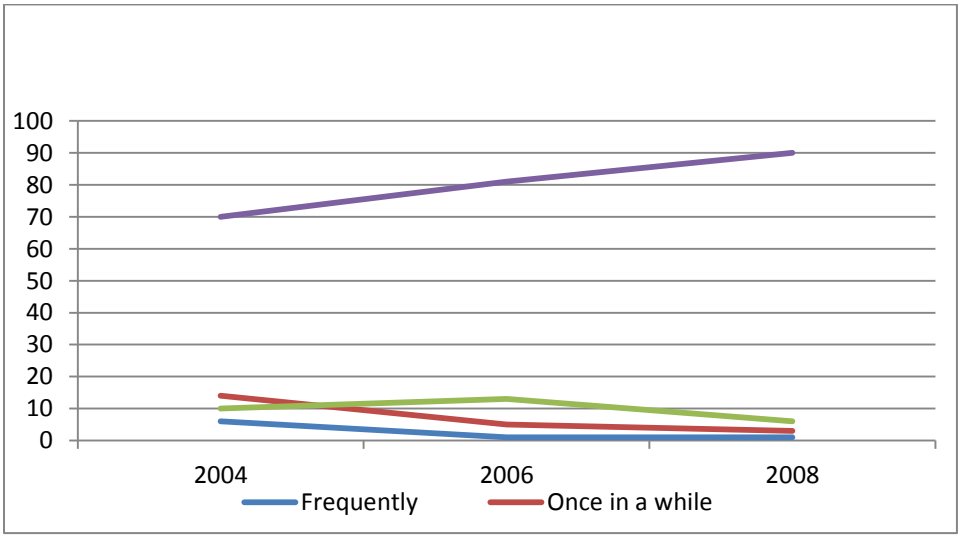
Graph 6.20 presents a more definite picture of the percentage of citizen participation in professional associations. As the graph shows, the percentage of citizens who never participate in such associations reaches an average of 70 percent over the entire period. These, together with the percentage of those who almost never participate make up some 80 percent of non-participation. However, the caveat is that a large percentage of the Bolivian population or Bolivian citizens work on the informal sector. Therefore, my interpretation is that by professional associations was meant the formal sector which would include bankers, engineers, architects, whereas the informal economy is also organized in “professional” organizations but these professions operate in the informal economy.

6.5.2 National level

At the national level, citizen participation can be measured in terms of people taking part in political parties and social movements and in terms of people’s participation in social protests. In this case, the period under consideration is smaller than the one before because

of lack of data and because the laws taking away the political party monopoly of representation and allowing social movements and citizen organizations to take part in the electoral process were passed in 2004. Therefore, this period of analysis begins in 2004 and ends in 2008. The data is representative of each prior year.

Graph 6.21: Percentage of citizen participation in a political party or a social movement

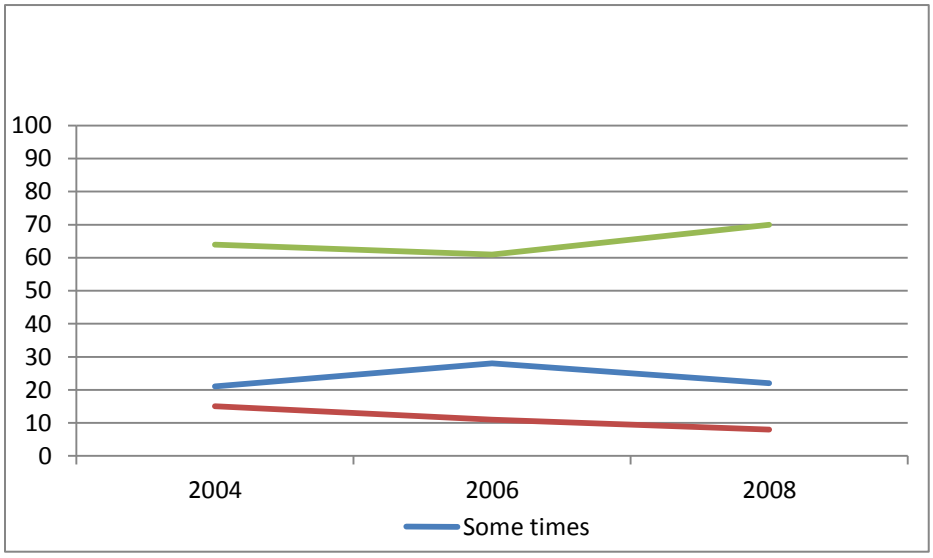


Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 6.21 depicts the percentage of citizen participation in a political party or a social movement. In Bolivia, political parties and social movements are not clearly distinguishable anymore in political terms. As the survey shows, the percentage of people never participating in a political party or social movement presents an increase from 70 percent in 2004 to 90 percent in 2008. The percentage of citizen participation of those who almost never take part in political parties or social movements seems to have peaked in 2006 with 13 percent just to decline in 2008 to six percent. It seems as though citizens who almost never participated stopped altogether, judging by the slope of the never curve. The curves of those who frequently participated and those who only once in a while participated seemed to have steadily declined from six to one, in the first case, and 14 to five, in the second case, for the period between 2004 and 2006 respectively. There seems to be a slight rate of decrease in the number of people who participated once in a while from five to three

percent for the 2006 to 2008 period. Over the entire period there seemed to have been a steadily decrease of citizen participation in political parties and social movements.

Graph 6.22: Citizen participation in a demonstration or a public protest



Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 6.22 shows the level of citizen participation in a demonstration or a public protest. According to the survey, 60 to 70 percent of citizens say they never took part in demonstrations or public protests over the 2004/2008 period. The percentage of citizens that almost never took part in demonstrations and public protests has decreased from 15 percent to 8 percent to 2008. This presents a total of up to 80 percent of the citizenship that did not engage in demonstrations.

6.6 Interpretive analysis: decentralization, political participation and democratic deepening

The results in Chapter VI show, contrary to those in Chapter V, an ambiguous picture of the effects decentralization has had on the Bolivian democratic process. Moreover, these results have been contrary to the expectations many observers and proponents have had. On the electoral participation, there were high expectations about an increase in the level of citizen participation in the electoral process. Before the LPP was introduced, citizens had a number

of difficulties to overcome in a given election, especially in rural areas. A primary difficulty was the lack of presence of the state in each municipality. Aside from an occasional post office and perhaps an even rarer sanitary post, the state was virtually absent from the local community. To that can be added difficulties accessing voting places, lack of official identification, a politicized local image of mayors as well as a diminished political relevance of government officials in the lives of local citizens, lack of presence of these officials in their districts and a general mistrust from the part of local citizens, contributed to a lack of interests in election participation. With the advent of the LPP and the arrival of the state in each municipality, the interest in taking part in the political process, albeit at first slowly recognized by citizens, gave way to significant expectations on the level of citizen participation. For the first time, voting precincts were even closer to rural dwellers, the government made improvements on the issue of identification, the Mayors were directly elected and not picked by the political parties and trust and legitimacy strengthened towards the local political process.

While the expectations, and perhaps a generalized perception, remained relatively high, the trends revealed a different picture. A detailed look at the municipal level reveals several interpretations. First, a lack of a visible increasing trend in electoral participation is noticeable. Most municipalities reveal a minimal positive trend while others reveal a minimal negative trend. On the average, the analysis points to a general neutral trend on the participation of citizens in electoral exercises. Second, the analysis also reveals that there was a general marked importance given by citizens, showed by their increased participation, to national elections over municipal elections. As noted before, this ranking of elections might be due to the fact that the central government still has the power to make important decisions that affect every citizen regardless of where they live.

Third, the analysis also reveals the diversity of outcomes in the universe of Bolivian municipalities. For example, it was possible to differentiate among active and less active municipalities. That is, there were some municipalities where the voter turnout percentage was well below the average for Bolivia while other municipalities showed an average voter turnout well above the national average. It was particularly interesting to see this diversity even in light of the regional argument whereby it was proposed that the Andean region was

more active than the low-lands region. The results show active municipalities all over the territory. This, points to local factors as explanations for the high levels of participation and vice-versa.

Fourth, this diversity showed itself also in the fact that many municipalities did not follow the ranking cycle of national-municipal elections mentioned before. Many municipalities actually reverse the cycle giving, in many occasions, higher priority to municipal elections than national elections. As the descriptive analysis reveals, some explanations to these behavior can be explained by the initial enthusiasm that might have come over an individual municipality as the popular participation process began. The contrary might be said when looking at municipalities where the level of participation tended to slow down over time. This, has been argued, might be due to a level of saturation or apathy that people might feel when they have to issue their vote every so often. This might be true in Bolivia considering the fact that municipal and national elections alternate themselves in different years.

Finally, the analysis revealed that the election in 2005 was the most important election in recent times, if an indication of importance is the level of participation. This election alone might skew the trends made visible when looking at the level of participation in elections over the period under consideration. This fact will be reconsidered when looking at the national level of government.

The differentiation among minimal positive, negative and neutral trends becomes clearer when looking at the trends at departmental level. Here two groups of departments can be differentiated where Chuquisaca and Beni present a rather flat curve and the rest of the departments, Oruro, La Paz, Potosi, Cochabamba, Tarija and Pando, present a minimal yet clear positive trend. In addition, and equally clear, the observation of electoral participation per department reveals the ranking of importance mentioned before with the national elections showing more levels of participation than the municipal elections.

The analysis of the national level confirms what had been revealed at the departmental level. The level of participation in elections from 1997 to 2005 shows a clear positive trend.

This might indicate that since the introduction of the LPP process, the level of citizen participation in the electoral process has increased. However, as mentioned before, the caveat might be that the impressively high level of participation in 2005 might play a role in skewing the picture showing this positive trend. This is even more relevant when considering the trend of electoral participation including some electoral exercises before the introduction of the LPP. In fact, this reveals a slightly negative trend in the percentage of citizen participation in the electoral process.

The picture remains ambiguous when considering the participation of citizens in the institutions created or reformed by the decentralization process. The analysis was divided into citizen involvement in government institutions, such as meetings with the Municipal Assembly, School Juntas and the involvement of citizens in the Annual Operative Plan (POA). By the same token, the analysis took into account citizen involvement in the civil society side by looking at the participation of citizens in community meetings about the treatment of community problems and its betterment as well as meetings in religious groups and professional associations.

When considering the participation of citizens in government institutions, the analysis reveals, one, certain apathy to get involved and, second, the creation of a local political elite. First, the survey results revealed that the level of citizen involvement in the local political process was limited. That is, only a small percentage of people, approximately 20 percent, took part in meetings organized by Municipal Assemblies with the aim to listen to the citizens. Even less was the participation of people in the policy formulation process such as the POA, approximately 10 percent. The picture presents a flat trend over the period, indicating that there was a level of disinterest which remained throughout the period.

A worst picture presents the analysis of the trends in School Juntas. The trend analysis reveals that, from the people who frequently attended these meetings, a large percentage diminished the frequency of attendance. Moreover, the percentage of people who never and almost never attended these meetings seems to have increased over the period under analysis. This trend points to a level of apathy in the parents that could reflect many factors

such as the difficulty to get to such meetings, the differences in opinions among parents which makes difficult to make decisions, the opinion from parents that these meetings are not important as well as other factors. However, the fact remains, that whatever the reason for this disinterest, the trend of participation diminished even though the institutions were there to take advantage of.

On the side of civil society, the picture on citizen involvement has been more positive and clear. The analysis has revealed that citizens were more involved in their communities. That is for example, more people took part in meetings about community betterment and meetings dealing with community problems. This can be traced to a large tradition in Bolivia of communities being active in response to the absence of government. This might also owe to the traditional forms of living in the rural areas, which to this day still exist and to a large extent had to fill the vacuum left by the absence of government at the local level. Across time, the level of involvement in these meetings has been more or less consistent.

Finally, the level of involvement in religious groups and professional associations, which in this case represent the participation in OTBs, reveals yet another ambiguous picture of civil society. As the descriptive analysis reveals, the level of citizen attendance to religious groups meetings has not been significant but has shown a positive trend over the period. This might be due to the fact that religious groups such as evangelists and Mormons have been actively recruiting people in rural areas. In addition, it might also reveal that citizens need incentives to participate. These religious groups are known to provide some services that the state does not provide such as meals. On the other hand, the percentage of people who attended meetings of professional associations has declined over time. Based on this result, once again, a level apathy becomes apparent. One interpretation might be that many "professional" associations are not officially recognized owing to the fact that other associations such as neighborhood associations might have captured the attention of citizens rather than professional associations.

The analysis at the national level reveals two important findings. First, there is the decline in citizen participation in social movements. This result is surprising, especially considering the fact that it was a social movement, i.e. MAS, which took over the government after the

2005 national election. However, the analysis reveals that a significant percentage of the population (some 80 to 90 percent) say that they did not participated in a social movement. The second surprising outcome was the revelation that significant numbers of citizens (up to 80 percent) did not take part in protests and demonstrations. These results pose a question on the fact that over the period 2000 and 2005, Bolivia has seen one of its most politically mobilized periods in recent history. This can be interpreted either considering that the people who mobilized in the crisis represented only around 20 percent of the Bolivian population or that the survey data is compromised due to issues of respondents not answering seriously.

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Chapter VII

The Bolivian Decentralization Process and Citizenship

7.1 Introduction

This chapter presents the results from the descriptive analysis of the survey and interview data concerning the third hypothesis which proposed that the Bolivian decentralization process contributed to the creation and/or expansion of citizenship through which the democratic process deepened. The LPP was introduced in Bolivia with a clear emphasis on the incorporation of individual citizens and civil society into the democratic process. This type of engagement, in turn, implied a very basic question: the participation of whom? It is the answer to this question, which primarily emerged from the expert interviews, that places the idea of citizenship and the creation and/or expansion of it into the Bolivian

popular participation map. During the design of the Bolivian decentralization process, it was thought that, in democratic times, the participation of the citizen in the political process was of utmost importance. Who else, if not the citizen himself (or herself), would know better what the needs of the community were? What else, if not the engagement of citizens would strengthen the democratic system which would significantly rely on the participation of its citizens? This line of thought leads to the consideration that by virtue of the creation of spaces for participation, the LPP provided citizens with the necessary conditions as well as strong incentives leading to the creation and expansion of political and social citizenship.

The results in this chapter are presented as follows: first, the chapter differentiates among several types of citizenship. On the one side, the chapter highlights the differences among group and individual citizenship. On the other side, the chapter differentiates among political, civic and social citizenship, granting political and social citizenship most of the attention in the analysis. Furthermore, the chapter analyzes the creation of citizenship, such as the official certification of civil society institutionalized organizations and the exercise of citizenship, such as instances where citizens had the opportunity of actively exercise their rights and obligations. Lastly, instances of expansion of citizenship where citizens acquire democratic skills and the formation of political elites are also analyzed. In the subsequent sections the chapter presents the analysis in a multi-level and multi-dimensional manner, beginning with the municipal level and ending on the national level of government. The final section presents an interpretive analysis of the results.

7.2 Decentralization and citizenship

The principal objective of the Bolivian decentralization process was the inclusion of the citizen in the political process, as the name of the process, Popular Participation, suggests. This inclusion meant again that citizens, by virtue of their participation, would engage in the exercise of their rights and obligations as citizens. This is especially true when considering that the Bolivian decentralization process placed the citizen (individual and groups in the form of civil society organizations) at the center of the process. In fact, the results analyzed in this chapter bring to light the manner in which the decentralization process has implicitly contributed to the conceptual enhancement of the three types of

citizenship, with political and social citizenship being the most influenced. This has taken part due to the introduction of a normative institutional framework that aimed at defining the reach of the process. That is, for example, the Bolivian decentralization process has had a direct effect on the creation of citizenship through the official certification of civil society institutions which were recognized as the subjects of the popular participation process.

At the same time, however, the results show that decentralization has not had the expected effects on citizenship in real terms. Even though the process created or reformed institutions and opened up political spaces to increase citizen participation in the political process, the practice of citizenship in Bolivian society has been at best ambiguous. The results in this chapter point to the fact that decentralization has had a less clear effect on the extension of citizenship through the creation of political spaces that provided room for citizens to actively exercise their rights and obligations at every level of government.

Nonetheless, the Bolivian decentralization process contributed to the necessary differentiation among the subjects of citizenship. While decentralization helped to further define individual citizenship by contributing to its expansion, it did provide for the creation of the notion of group citizenship, i.e. namely the rights and obligations attributed to the central figures of Popular Participation, the OTBs. This differentiation represents a contribution of the Bolivian case to the concept of citizenship. Lastly, in the following paragraphs the chapter elaborates on these considerations.

7.2.1 Political, social and civic citizenship

As stated in the theoretical framework in Chapter III, this study assumes there are three types of citizenship in the Bolivian system: political, social and civic. Among these, political and civic citizenship are generally guaranteed by the Constitution. In the case of Bolivia, these rights and obligations have been explicitly guaranteed in the different constitutional texts as well, whereas social citizenship has been largely inferred from what the Constitutions mandated and what other laws added to what citizens have the right and obligation to do for the benefit of the society. This study assumes, in accordance to the literature on the subject, that civic citizenship includes the different freedoms and principles

generally mentioned in constitutional texts. These may include freedom of association, expression, thought, religion, to own private property, to engage in contracts, and to seek justice as well as to be equal before the law and to have the right to a due process. However, this is not an exhaustive list but it contains the most important and relevant rights for this study.

Furthermore, this study places emphasis on the concepts of political and social citizenship. The reason for this attention is because, while the decentralization process took for granted the different freedoms guaranteed by the Bolivian Constitution, with the aim of participation, it concentrated itself in many of the aspects of political and social citizenship. For instance, political citizenship, which is very closely related to the aforementioned civic citizenship includes the right to vote, hold and run for elective office, be appointed for public office, and take part in assemblies. This is an equally non-exhaustive list. In the Bolivian case, these rights have been guaranteed in the Constitution. For social citizenship, these rights and conditions follow from the other two types of citizenship. The ideas advanced by the literature include, the feeling of self security, a minimum level of economic well-being, access to education, health, social security, have access to information, and acquisition of democratic skills. By the acquisition of democratic skills is meant the internalization of democratic norms and practices by an individual because of lower barriers to participation. The most important to mention are: knowledge of how government works, knowledge about the use of power when in a position of power, consultation and negotiation skills, the understanding of the implication of consultations and negotiations, empathic understanding, the understanding of the relevance of political agenda setting, trust, reciprocity, tolerance, cooperation, identity, ethnicity, and culture. Many of these ideas were not directly guaranteed by the Bolivian constitution or any law but they were a significant substantive effect of the decentralization process.

7.2.2 Individual and group citizenship

The introduction of the Bolivian decentralization process led to the implicit differentiation between two forms of citizenships. Implicit because even though the text of the LPP did not specifically normed it as such, the creation of OTBs and the attribution of rights and

responsibilities to the same was a *de facto* creation of an additional form of citizenship. First and foremost, the decentralization expanded the notion of individual citizenship beyond the constitutional text, in that it provided for the necessary space for citizens to actively exercise their citizenship rights and obligations and, through that, expand them beyond civic and political citizenship notions.

However, decentralization, as stated before, implicitly introduced the notion of group citizenship. The normative framework attributed rights and responsibilities to distinct groups of people, which were expected to act as individuals in the local and national political process. Group citizenship refers to the formal and legal incorporation of a group of people before the law, assuming this group has a sociopolitical aim. Such was the case in the creation of OTBs, which formed spaces where civil society organizations could formally institutionalize acquiring the rights to participate in the political process as well as having the obligation of responsibly taking part in the political process for the betterment of society. A similar case presents the CV, which also represent groups, primarily from civil society, who hold rights and obligations. This last type of citizenship was derived from the specific Bolivian context, due to the traditional corporatist manner in which Bolivian society has organized itself. For one, Bolivian society is significantly marked by the presence of ethnic groups whose philosophy of living and tradition point to a collective way of living. This tradition has been embedded in Bolivian society, first in workers unions, more recently in social movements and currently in ethnically-based groups, such as indigenous groups.

This differentiation has been observed by the experts as well. Gloria Ardaya (interview No. 3), who has intimate knowledge of the Popular Participation process because she once headed the Popular Participation office and has been interested in gender issues, said:

> "The most successful effects on the democracy are the recognition of diversity and the exercise of territorial citizenship."

By diversity, she did not only refer to gender issues, but also included ethnic differences such as indigenous, *campesinos* and rural groups as well as other cultural differences such as linguistic, traditions, and social organization.

7.3 Citizenship, decentralization and the deepening of democracy

As argued in the theoretical framework, citizenship is an intrinsic part of democracy. Moreover, in the Bolivian context, the decentralization process implicitly based the process on citizenship (mostly political and social) and thus made it intrinsic to the process as well. This was achieved through the aim of making decentralization a participative process where citizens (individuals and groups) would be at the core of the process. Therefore, at the time when the Bolivian decentralization process created the necessary institutional framework and provided the incentives for citizens to participate, it also provided for the creation and expansion of political and social citizenship, as analyzed in this study. At the same time, this development contributed to the deepening of the democratic process by enhancing citizenship in its most relevant dimensions.

In general, the experts interviewed for this study indirectly highlighted the creation of citizenship as an effect of the decentralization process. Many of them, mentioned the qualitative impact that citizens received but without thinking about the substantive concept of citizenship and what the process meant for its development. For example, Carlos Alarcon (interview No. 1), a constitutional lawyer and observer of the decentralization process in Bolivia, stated, when asked about the areas of success decentralization had brought:

> "… [O]ne, the citizen participates in the definition, execution and control of municipal public policy; two, the distance the citizen had to municipal affairs is cut; three, … ; four, it improved the most immediate necessities of the citizen; …"

In similar terms, Carlos H. Molina (interview No. 14), answered when asked the same question:

> "It was very successful in creating citizenship and bringing efficiency to the state… It promoted citizenship and the exercising of rights."

Along the same lines, Jose C. Campero (interview No. 8), expert on decentralization, stated:

> "[Decentralization led to] the inclusion and recognition of the citizen by giving them rights and responsibilities and recognized his own organizations (formal and informal) as well as giving the people a say in the administration of the financial funds and the opportunity for them to take part in the newly created local government."

Moreover, Diego Cuadros (interview No. 9), expert on decentralization and government official, responded:

> "[Decentralization] strengthened the awareness of citizen rights, to the point where the citizen asks for his or her rights through social mobilization. … It is hard to imagine a local government administering without consulting the people. The people have appropriated this right already."

Finally, Mario Galindo (interview No. 10), decentralization expert on the financial aspect, formulated the most encompassing argument when referring to the contributions of decentralization to the deepening of democracy:

> "Bolivia went from a representative democracy to a participative democracy asserting citizenship and participation as the major objective of the LPP. It privileges territorial actors over functional actors (corporative groups like syndicates for example) and that betters the quality of democracy."

These answers show a superficial level of discussion around the concept of citizenship among experts. Most of the answers only touch on different aspects such as the official recognition of citizenship, the inclusion of some groups of indigenous citizens, the access to the decision-making and policy-making process and the extent to which citizenship was deepened, namely when someone points to the fact that citizens have appropriated the rights to take part in the political process, with the exception of Molina. However, all of the experts relate the contribution of decentralization on citizenship and therefore the contribution to the deepening of democracy or, as some experts say, the improvement of the quality of democracy.

7.4 The creation, expansion and exercise of citizenship

The decentralization process in Bolivia created and expanded citizenship by enabling citizens to actively exercise their rights and obligations within a sociopolitical context. Indeed, the creation of citizenship through decentralization consisted on the formulation

and implementation of normative institutions which, first, created the territorial institution of the OTB. These territorial institutions were defined as the subjects of the Popular Participation process and were attributed many rights and obligations to get involved in the decision-making, administration and control process of the local government as well as the national one. Such rights, which were obligations at the same time, included the right to participate in the formulation of the local development and operative plans as well as to participation in the formulation of the municipal budget. In addition, with the passing of another legal instrument, the rights of the same civil society organizations were enhanced in their political dimension. The new OTBs, i.e. civil society organizations, social movements, indigenous groups and indigenous nations, could directly participate in the electoral process representing and aggregating the political preferences of the people and directly seeking public office at the local as well as the national level. Second, the process formally and legally recognized the official status of OTBs in favor of any civil society organization who would comply with the certification process. In turn, these new OTBs would exercise the rights and responsibilities outlined by the law.

In addition, the decentralization process contributed to the expansion of political and social citizenship by deepening or amplifying the rights and responsibilities attributed to citizens and by contributing to the acquisition of democratic skills, such as internalizing the norms and values, learning about the democratic system and process, accumulation of democratic experience, enhancing self-awareness, and thinking about political issues. The expansion of individual political citizenship took place in the form of citizens becoming conscious of their political views, preferences and actions and their ability to run for public office (at the local and national level), without having to be affiliated with a political party or go through the process of building a political career. At the same time, the expansion of social citizenship was a process through which the citizen became self-aware, and proud, of its citizenship by displaying a positive association or identification with the Bolivian citizenship, by demanding their rights and becoming conscious of their obligations, and by perceiving equality under the law. In addition, expansion also manifested in citizens gaining access to health, education, feeling secure as well as taking ownership of community issues. In the same manner, the rights and responsibilities of group citizens

expanded by the very real possibility of these groups engaging in the same behavior as individuals and maybe more.

Lastly, the decentralization process provided spaces for the exercise of the created as well as expanded political and social citizenship within the participative, representative and deliberative dimensions. It is in that sense that, the exercise of political citizenship took the form of participation in political parties, elections, demonstrations as well as political protest actions such as blocking traffic and occupation of land or buildings. At the same time, citizen political citizenship involved the participation in the design and planning of public policy, i.e. public investment and education, within the local government structure. For its part, social citizenship took form in the participation of citizens in neighborhood committees. At the national level, this would mean to take part in the various deliberative bodies, to be able to introduce legislation proposals and be able to exercise social control.

7.5 Multi-level and multi-dimensional analysis

The descriptive analysis of the data in this chapter covers the period between 1994 and 2005 and presents the results in a multi-level and multi-dimensional approach. It is multi-level because the analysis discusses the results in the national and the municipal levels of government. The departmental level of government is only superficially analyzed due to the little importance it has played in the implementation of the Bolivian decentralization process and the insufficiency of data. Moreover, it is multi-dimensional because it approaches the presentation of the data from three analytical dimensions, creation, exercise and expansion of citizenship.

The descriptive analysis relies on the data drawn from the Latinobarometro and LAPOP opinion survey data and the expert interviews conducted for this study. For this part of the analysis several survey questions are selected which operationalize the concepts mentioned above, which will be noted in each part of the analysis. These, in turn, are analyzed over time, from 1995 to 2005, in order to highlight the trends, which make an indication of the direction in which the evolution of the process has developed. The analysis, while chronologic, sometimes does not present a continuous progression in time. This is due to

the fact that in some years, the surveys were not conducted and that some questions were not included in each survey. However, the analysis does show trends over a span of 15 years, showing a progression over the period under consideration.

7.5.1 Creation of citizenship

This section takes into consideration the creation of citizenship as defined in the theoretical framework and supplemented above in Section 6.4. The analysis focused on two types of these institutions, OTBs as well as civic organizations and indigenous peoples, in two dimensions of citizenship, the political and social dimensions and at two levels of government, the municipal and the national.

Municipal

At the municipal level, the decentralization process contributed to the official or legal recognition of the OTBs as the basic organizational structure of civil society based on the territory they covered within the limits of the municipality. The OTBs were created with the passing of the LPP, on April 1994 and were regulated by Supreme Decree No. 23858, issued in September of the same year. The LPP made the OTBs the subjects of the popular participation process. By subjects it was meant that the OTBs were the central entities in the process and thus the basis for action. As such, they were distinguishable from their attributions. In concrete terms, the decentralization attributed these entities the right to propose, ask, control and supervise the provision of public services in the areas of education, health, sports, environment and local development as well as to do all this in favor of the community. Furthermore, the OTBs were attributed the right to access to public information as well as the financial resources regarding the popular participation process. Their obligations were to identify, prioritize, participate and cooperate in the execution of local projects and the administration of the resources of the process. At the same time, to cooperate or support with voluntary work the local government's efforts to implement public works. Moreover, they had to keep the people informed and up to date and account for their actions to the community.

The OTBs, as subjects of the process, provided for the organization of civil society. Almost all civil society organizations obtained official certifications as OTBs in order to operate within the system. In addition, they carried out their obligations in several ways. One of the most important instances or institutions where the OTBs exercised their rights and obligations was through the work of the CVs. These institutions provided the necessary tools for the OTBs to exercise their social control role within the Municipal Government's work. The CVs were made up of OTB representatives. These representatives decided on the manner in which the CV would exercise its control. Normally, the CV would control the administration of the local government by, for example, asking the government to provide information on a certain project that was planned. This would be done either directly to the Mayor or by a formal request to the Municipal Assembly. In the same manner the CV would propose new projects in the allocation of resources or bottom-up-designed policy. In the areas of control and supervision, the CV would observe the provision of public services in the areas of education, health, sports, environment and local development. In that manner, it was not rare that the Municipal Government would constantly get requests, proposals or commentary from the CV regarding infrastructure in the municipality. Moreover, the formulation and implementation of the municipal budget and the local development plan was of utmost importance for the CV, because it did not only have a say in the design and the decision-making processes but also had the power to stop the automatic flow of funds to the municipality if it observed irregularities in the dealing of the Municipal Government. This latter attribution gave the CV its real power within the municipal political process.

Of course, in reality the functioning of the CVs was different. There was a generalized opinion among the interviewed experts that the work of the CVs was, in principle more problematic than good. In that sense, Franco Gamboa's (Interview No. 11) remarks illustrate this generalized view of the CVs:

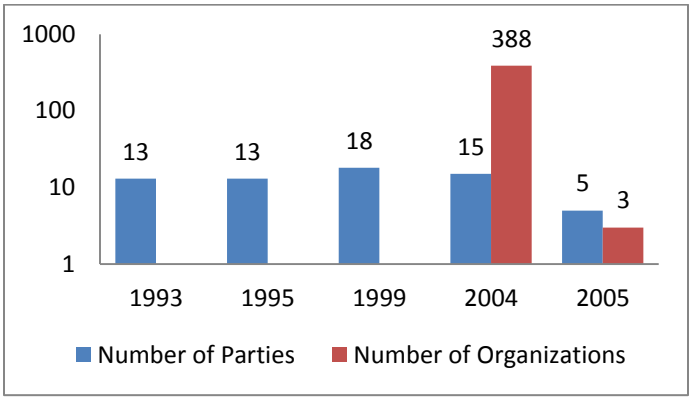
> "One problem with the CVs is when they are captured by small elites, which with time, prevent the free participation of citizens. Another problem is the possible rivalry that can be developed between the CV and the local government."

The work of the CVs has been highly susceptible to co-optation by the local government. This is especially true due to the especial fund the municipal government had reserved for the functioning of the CVs. The disbursement of the funds was dependent on the Mayor. By the end of the period in consideration, the use of these funds to co-opt the CV was more generalized than proponents of decentralization had imagined. An additional risk was the potential of polarization and the possibility that the work of the local government would be stopped due to this polarization. This happened all too often in Bolivian municipalities where the CVs were captured by opposing elites and these have launched attacks towards the local government from the CV.

National

An additional form in which the OTBs have had the opportunity to exercise their created and expanded rights and obligations has been the possibility for them to take part in the electoral process with their own candidates. At the national level, the creation of citizenship took place as a result of the passing of Law No. 2771, issued on July 2004. The Law of Citizen Organizations and Indigenous Peoples attributed civil society organizations or OTBs with the rights and obligations to represent the people's political preferences in general as well as municipal elections. The law also established their equal status with the political parties, which according to the law, had the monopoly of political representation. Among the rights these organizations were attributed were, the right to take part in the electoral process, to meet and publish documents, opinions, proposals, etc., to present studies or projects of public interest, to request the government for information, to establish alliances, to receive on-time information from the electoral institution, and to name delegates or representatives. Among the obligations were to frame their participation in accordance to the law, to preserve, develop and consolidate the democratic process, and to account for their actions when receiving state financing. Finally, the same conditions apply for the indigenous peoples organizations, with the exception that in the case that an indigenous nation made use of oral tradition to establish its regulation and organization, these would have to be accepted by the electoral entity.

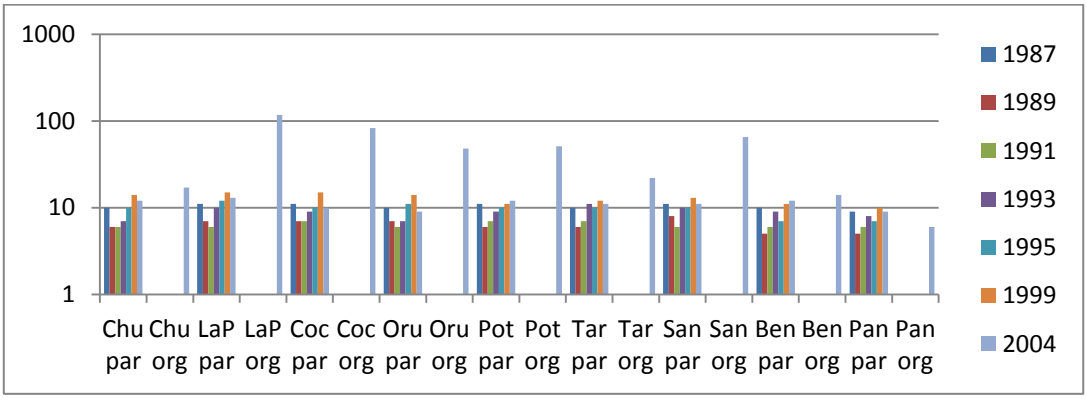
Graph 7.1: Number of citizen organizations and indigenous peoples taking part in municipal and general elections in 2005



Source: CNE electoral data and CNE. 2005. *Informe al Honorable Congreso Nacional. Elecciones Generales 2005*. La Paz: CNE.

Graph 7.1 depicts, using a logarithmic function to make obvious the difference in magnitude in the bars, the number of political parties, citizen organizations and indigenous peoples organizations that took part in the electoral process from 1993 to 2005. The graph clearly shows the explosion in the participation of non-political party organizations in 2004, when the number of citizen organizations and indigenous peoples increased from zero to 388, due to the passing of Law No. 2771. Remarkable is the sheer number of organization that took part in the electoral process in 2004, taking into account of course that these elections were municipal elections. More remarkable is to observe that in the general elections in 2005, three citizen organizations participated in the elections with their own candidates for President, Vice-president, Senators and Deputies. This is remarkable considering that, up to then, only political parties had had the necessary internal structure, financing, and organizational will in order to have a national coverage as opposed to the majority of the 388 organizations that participated in the municipal elections in 2004 which had only local reach. The general elections in 2005 showed a new era for the new and old political actors.

Graph 7.2: Number of political parties and non-political parties taking part in municipal elections



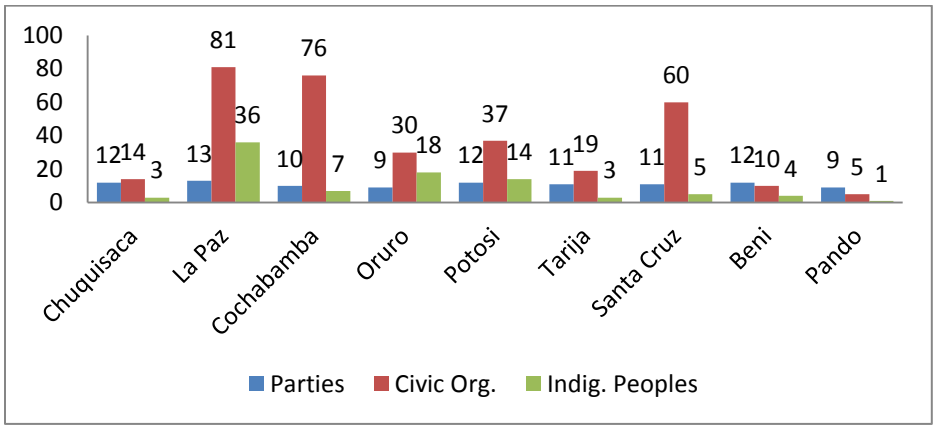
Source: CNE electoral data and CNE. 2005. *Informe al Honorable Congreso Nacional. Elecciones Generales 2005*. La Paz: CNE.

The presence of citizen organizations and indigenous peoples as political actors however did not replace traditional political parties nor contributed to the collapse of the Bolivian political party system, as many liked to argue. Graph 7.2 makes a differentiation between the number of political parties (_par) and non-political parties (_org) that participated in municipal elections from 1987 to 2004. It shows that the number of political parties, per municipality, fluctuated between five and 15, with the lowest number of parties being in the elections 1989 and 1991 and the highest number of parties taking part in the 1999 and 2004 municipal elections. This picture points to the fact that rather than disappearing, the traditional political party system relegated itself to the municipal level, leaving some space for new actors at the national level. The graph also reveals that over a period of time before and after the introduction of the decentralization process, the number of parties at the municipal level remained relatively constant and have not been replaced by civil society organizations, once again, as many had expected.

Lastly, even though the number of citizen organizations and indigenous peoples only represents the 2004 electoral process, the graph suggests that most municipalities in the Altiplano (La Paz, Cochabamba, Oruro, Potosi, with the exception of Sucre, and in Tarija and Santa Cruz) have experienced large participation of these organizations. On the other side, the municipalities in Pando, Beni and Chuquisaca are noticeable for their lowest number in the participation of such organizations. Looking at these results, it is tempting to

interpret that the reasons might lie in the fact that these latter regions are sparsely populated in the rural areas while the population concentrates in the urban centers. An additional tentative ethnic explanation argues that the low-lands of Bolivia, i.e. Beni and Pando, are less populated by indigenous peoples. However the Chuquisaca numbers reject this explanation.

Graph 7.3: Number of political organizations per type



Source: CNE electoral data and CNE. 2005. *Informe al Honorable Congreso Nacional. Elecciones Generales 2005*. La Paz: CNE.

A closer look at the 2004 municipal elections reveals the urban character of the creation of citizenship. Graph 7.3 reveals that of all the non-political party organizations that entered the electoral race in that year, a great number were citizen organizations, while the number of indigenous peoples was significant in some departments but not comparable to the number of the latter. As the graph shows, La Paz, Cochabamba, Santa Cruz, Oruro, Potosi and Tarija show a significant number of such organizations with 81, 76, 60, 30, 37 and 19 respectively. These citizen organizations were mostly neighborhood organizations that had their roots of organization in the OTBs. At the same time, and not surprisingly, La Paz, Oruro and Potosi, show the largest number of indigenous peoples with 36, 18 and 14 organizations respectively. This last part does support the conventional wisdom about indigenous Bolivia where the high-lands, i.e. La Paz, Oruro and Potosi, have the most indigenous peoples organizations. That is not to say however that the low lands do not have any indigenous peoples organizations.

These results show the creation of group citizenship by the decentralization process through the use of normative institutions such as laws. Moreover, they show the manner in which the legal instruments attributed rights and obligations thereby contributing to the *de facto* creation of political and social citizenship. These results also show the extent to which these organizations of civil society have embraced the decentralization process in Bolivia and how they have exercised their created rights to take part in the political as well as the social life in the country. However, these aspects should be treated in more detail in the following sections.

7.5.2 Expansion of citizenship

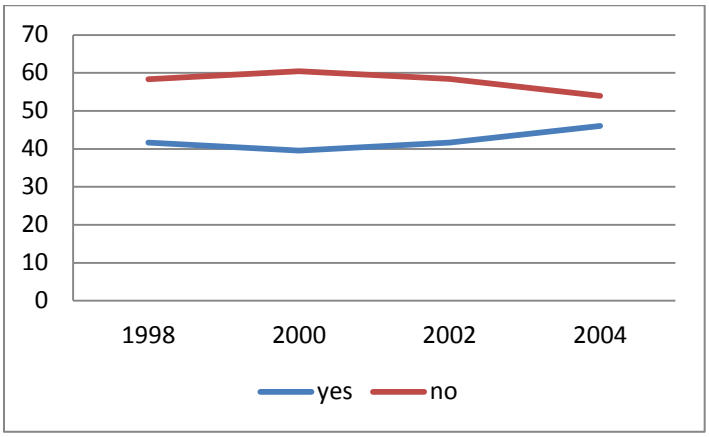
The expansion in the notion of political and social citizenship due to the decentralization process seems to have affected the political, but in particular, the social dimension of citizenship. Politically, this expansion of citizenship has been noticeable at the time when citizens, voluntarily, decide to organize groups to solve community problems thereby displaying a level of acquired responsibility for what happens in the community; or as they try to express their political opinions without restriction or even, beyond that, citizens try to convince others of their own political views. Regarding the social dimension, for example, Bolivians acquired consciousness of their rights to access to health and education as well as their right of feeling secure and being equal before the law. At the same time, Bolivians became aware of their obligations in the democratic system of government and demanded their rights as citizens. Lastly, Bolivians gained a greater sense of pride about being Bolivian citizens and showed their consciousness by engaging in the community. These factors, again, point to the fact that citizens might have learned about the democratic system, internalized its norms and values, and have come to accept the democratic system. This, in the end is seen as the accumulation of democratic experience.

Municipal

Politically, the analysis shows the expansion of citizenship through behavioral attitudes of citizens as well as the look for insights on the state of mind of individuals. The assumption was: thoughts drive political behavior and may conduce to action within the framework of

what is possible. While the political rights of citizens have been, to a large extent, included in the constitutional text, the expansion of those rights has been introduced implicitly by the decentralization process.

Graph 7.4: Organized group to solve community problems

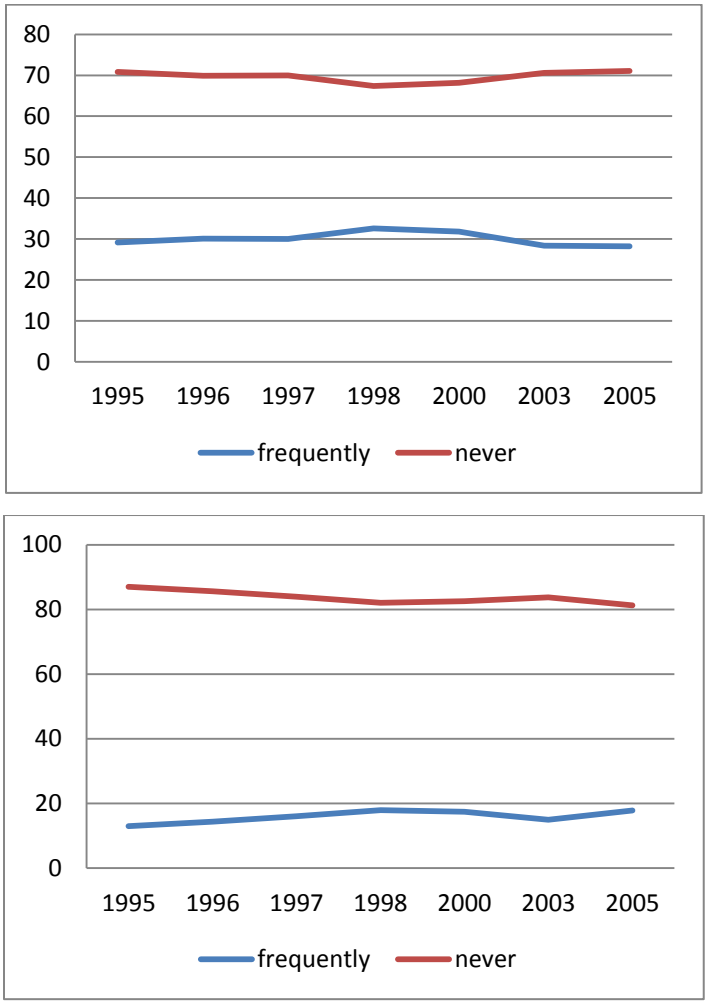


Source: Own elaboration with data from LAPOP and Latinobarometro.

For example, the results of this part of the analysis show that at the municipal level, according to the LAPOP survey, Bolivians showed their ability to take direct action on trying to solve community problems by, among other things, organizing groups to address or solve those problems within the community. This shows that citizens have engaged politically in individual or group forms making use of their civic and political rights. Graph 7.4 shows a positive trend, between 1998 and 2004, for Bolivians to take the opportunity to actively engage in their communities. The percentage of people who said they worked towards the organization of community groups is significant, around 40 percent, and increasing towards 48 to 49 percent by 2004. On the other side, the graph shows a higher level of uncommitted citizens, however this percentage of people diminishes with time, indicating a surge in committed citizens. This level of engagement is supported by the levels of participation measured in the previous chapter. This positive trend in commitment of engagement in the community during the decentralization points to the expansion of political and social rights in the Bolivian system.

However, while Bolivians seem committed to their own communities, this commitment seems to be confined in the heads of the majority of Bolivians. Talking about politics with friend does not only show the level of free speech that exists in the society, but it also displays a higher level of political thinking and therefore, involvement. Much of this involvement surely means people casting their vote or even running for office.

Graph 7.5 and 7.6: Talk politics with friends and convince others of own political opinion

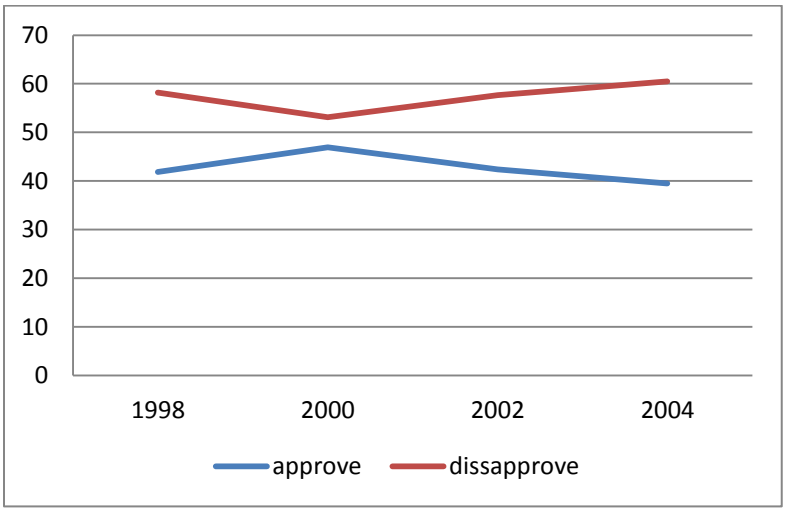


Source: Own elaboration with data from LAPOP and Latinobarometro.

The results above (Graph 7.5) indicate that the degree to which citizens talk about politics with friends is low. The graph shows a clear level of apolitical verbal exchange among friends, somewhere on the level of 70 percent. On the other side, 30 percent of people said they frequently speak with friends about political issues. Remarkable is that the trend

curves show a constant level over time. Moreover, the next graph (7.6) shows that the majority of people, who do talk about politics with their friends, somewhere between 80 and 90 percent, when they talk about political issues, do not seek to convince the other about their own political opinion. The graphs show a generalized tendency in Bolivian society to not to talk about political issues with friends and, from those who do, there is a tendency not to try to convince the other of their own political views. However, Graph 7.6 also shows a positive tendency among those who try to convince others of their own political views. This last observation indicates that, while the higher level of political thinking and involvement is low in Bolivian society, there is evidence that citizens might be increasingly confident of their political views.

Graph 7.7: Approval that other people express their opinions



Source: Own elaboration with data from LAPOP and Latinobarometro.

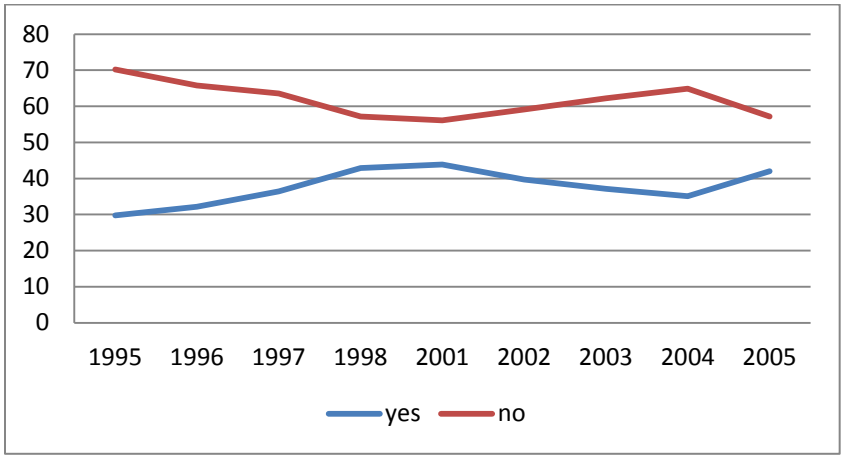
Finally, the graph above presents a more convincing explanation of why citizens might not be willing to express their political preferences more often and publically. Graph 7.7 shows that people are intolerant of other people's opinions. The graph shows that the majority of people surveyed disapprove that other people express their own opinion. While the percentage of these people seemed to decrease from 58 to 53 percent between 1998 and 2000, it increased to about 60 percent from 2000 to 2004. At the same time, the graph also shows that the percentage of people who did approve that other people expressed their opinion shows a negative trend. The graph depicts an increasing trend from 41 to 47

percent from 1998 to 2000, but a decrease to 39 percent from 2000 to 2004. The degree to which people are tolerant or intolerant of other people's opinions speaks volumes about the ability of citizens to make use of the expanded rights of free expression of own opinion that the decentralization process implicitly furthered.

The conclusions drawn from these graphs point to the fact that Bolivians, while committed to their communities –giving thus the impression that the people do make active exercise of their rights and obligations—, they do that work in a generally apolitical environment because the verbal exchange does not seem to evolve around politics. In addition, a reason for the apolitical exchange seems to be that people have become increasingly intolerant of other people's right to express their own opinions. This last conclusion seems to contradict the impression that citizenship has expanded in Bolivian society because there is an increasing level of intolerance for other people's opinions developing in society. This seems to have inhibited people from developing a political culture conducive to political action.

Regarding the expansion of social citizenship, the survey contained some useful questions that helped approximate a measure of this variable. One of these questions sought to measure the degree of personal security the state was able to provide for its citizens and the extent to which citizens felt secure in their own neighborhoods. Graph 7.8 below depicts the answers to the question whether the respondent was or was not a victim of crime in the year before the survey.

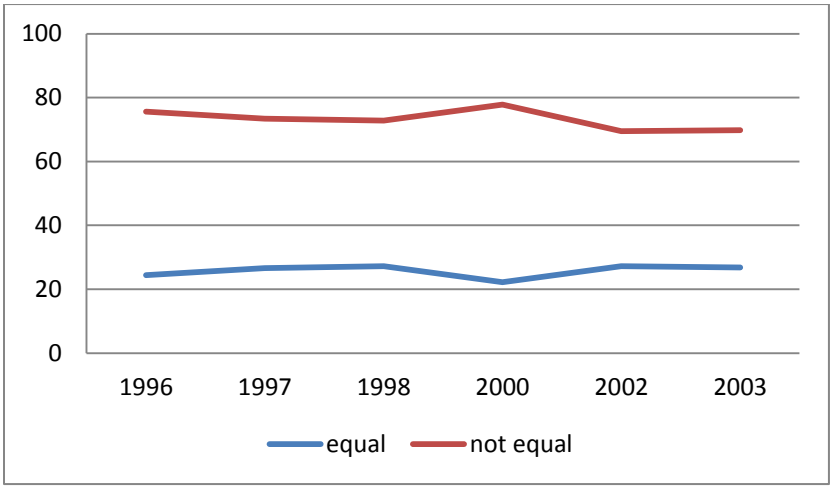
Graph 7.8: Victim of a crime



Source: Own elaboration with data from LAPOP and Latinobarometro.

The graph shows a rising trend in the number of people answering affirmatively that they were victims of crimes. The overall trend seems to increase from a 30 percent in 1995 to 42 percent in 2005, with the highest point reaching 43 percent in 2001. On the other side of the coin, the number of people who were not victims of crime decreases from some 70 percent in 1995 to a 57 percent in 2005. The graph seems to show that the sense of personal security has been decreasing over the period in question. A correlated interpretation leads to the conclusion the state was not able to provide for the level of security desired. This picture, in turn, leads to the conclusion that social citizenship has not been enhanced. If people do not feel an acceptable level of personal security, the right to live in a safe and stable social environment free from worries about one's personal security is then violated.

Graph 7.11: Equality before the law



Source: Own elaboration.

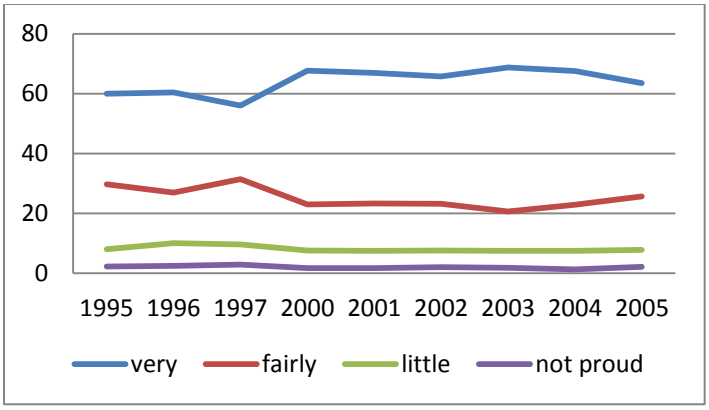
In the same line of thought, Graph 7.11 shows the percentage of citizens who thought they were equal before the law. As a whole, the graphic shows that those who thought Bolivians were not equal before the law were the majority, making up some 70 to 80 percent of the population. The trend deduced from the graph seems flat, showing only some year-over-year small increases and decreases. Namely, within those who thought were not equal before the law there was a slight decline in the curve from 1996 to 1998 from 75 to 73 and 72 percent respectively. Following that, there was a short increase from 1998 to 2000 to 77 percent. Moreover, the decline continued after 2000 to 2003 to only stay flat in the last year at 69 percent. In small contrast, those who did perceive they were equal before the law ranged between 20 and 30 percent, over the period. This shows a slightly negative trend in the perception about the equality of citizens before the law. This result stands in support of the preliminary conclusion made above, namely that social citizenship was has not been expanded. It seems as though Bolivians, at the individual level, do not perceive that citizens are equal before the law.

National

At the national level it is possible to observe whether social citizenship was expanded by considering how Bolivians identify with the Bolivian citizenship and whether or not they have come to accept the rule of law. The degree to which Bolivians follow the law or not indicates whether Bolivian citizens have adopted democratic values and accepted their

citizenship obligations as part of their acquisition of democratic skills. Beyond that, the perception of citizens about their rights and obligations indicate a level of consciousness about what it means to have a Bolivian citizenship, that is, to achieve a level of consciousness of the own rights but also of the duties that come with those rights. For example, Graph 7.12 shows the percentage of citizens who were proud of the Bolivian citizenship. The observation of the trend is important insofar as it decreased or increased within the period under analysis.

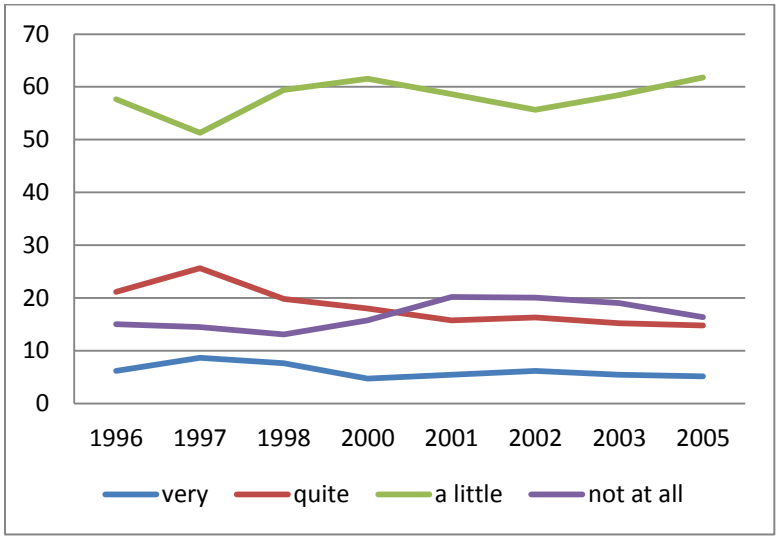
Graph 7.12: Proud of being Bolivian



Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 7.12 depicts a high level of pride about being Bolivian, which ranges between 60 and 70 percent. Additionally, the graph shows an increasing trend 1995 to the end of the period of analysis in 2005. This is a significant percentage of people who are proud of being Bolivians. Furthermore, if, to this percentage of pride, the number of fairly proud citizens is added, the percentage of proud people is significantly higher reaching around 80 to 90 percent. The tentative interpretation is that, while many Bolivians seem to have a positive identification with their Bolivian-ness, this percentage of people has increased over the period that decentralization was being implemented. At the same time however, there is small percentage of Bolivians who feel little pride or don't feel proud of being Bolivian citizens. This percentage remains constant over the time frame this study sets itself.

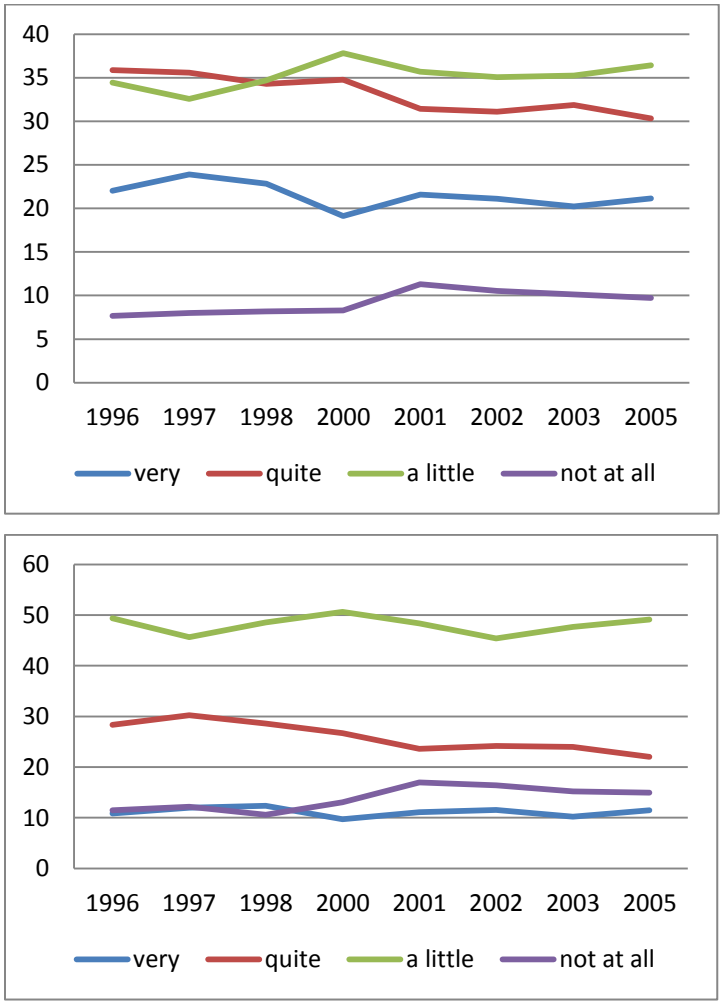
Graph 7.13: Bolivians are lawful



Source: Own elaboration with data from LAPOP and Latinobarometro.

Moreover, if Bolivians are lawful, it means they follow the law and therefore they, as citizens, have accepted one of the most important democratic principles, which is to live under the rule of law. Graph 7.13 depicts the perception of Bolivians about whether or not they follow the rule of law. It shows that only a small percentage of Bolivians, ranging between zero and 10 percent, are considered to be very law-abiding citizens, while the percentage of quite lawful citizens has tended to decrease from a peak of 25 percent in 1997 to 16 percent in 2005. The graph also shows that the majority of Bolivians, a percentage between 51 and 62, are considered to be only a little lawful and a range of between 15 and 20 percent not at all. The trend shows that Bolivians who are only a little lawful has slightly increased, while the not at all lawful trend has tended to fluctuate around 15 percent. The trends of the people who are very and quite lawful have tended to slowly decrease. This indicates that all in all Bolivian citizens, for the most part, have followed the rule of law only a little and that this trend has tended to increase in the latter years, but only in small percentage points, indicating that there was perhaps some contribution by decentralization but not a significant one.

Graph 7.14 and 7.15: Demanding of their rights and conscious of their obligations



Source: Own elaboration with data from LAPOP and Latinobarometro.

Lastly, the graphs above, 7.14 and 7.15, show the percentage of people who think that Bolivians are demanding of their rights and are also conscious of their obligations as citizens. This consideration is a measure of expansion of social citizenship in the sense that it shows how many people in the country are aware of their rights and obligation. The awareness itself is a signal for expansion because it points to a society where the knowledge about rights and obligations is wide spread. Also, it indicates that the circulation of information about those rights and obligations is being fulfilled by the system. Finally, the fact that individuals inform themselves about their rights and obligation and that, furthermore, some people demand the opportunity to exercise them is an indication of expansion. According to the results in Graph 7.14, the majority of Bolivians (adding those

who answered very and quite demanding), some 50 to 55 percent, perceived themselves as being very and quite demanding of their rights. This is in stark contrast to those who answered they were very and quite conscious of their obligations (according to Graph 7.15 between 30 and 40 percent). On the other side, the percentage of citizens who demanded their rights only a little or not at all was between 35 and 45 percent, while those who said they were only a little or not al all conscious of their obligations was around 60 percent over the whole period In essence, more than half of the population seemed to demand their rights but significantly less than half the population seemed not to be conscious of their obligations. This fact points to a contradiction in social citizenship terms where people want rights but not obligations.

However, it is also worth noticing the trends these graphs show. Graph 7.14 shows a negative trend in the percentage of people who demand their rights. This is also true when adding both, very and quite, answers, while the reverse side shows a positive trend. This leads to conclude that while the majority of Bolivians demand their rights, over time, there is a tendency for those citizens to be less. At the same time, of those citizens who are very and quite conscious of their rights, those who are very conscious has remained virtually constant in and around 10 percent. However, the percentage of those who answered they were quite conscious of their obligations have decrease from 30 percent in 1997 to almost 20 percent in 2005. This indicates that there are less and less people who are conscious of their obligations as citizens.

Overall, while a significant percent of Bolivians are demanding of their rights, there is a tendency for that percentage to decrease. Also, less than half of Bolivians are aware of their obligations, and from those, the tendency is for that percentage to decrease as well.

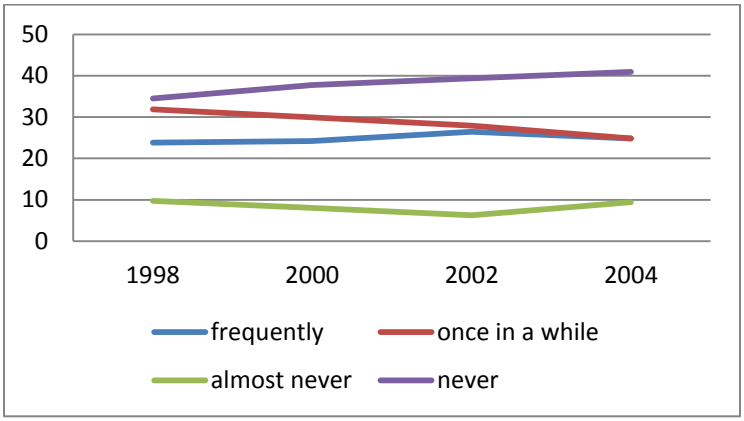
7.5.3 Exercise of citizenship

The exercise of citizenship has been a byproduct of the decentralization process in Bolivia. The analysis of the survey data, both at the municipal as well as the national levels, has shown the complexity of the decentralization process and its effects on the areas of citizenship that this study focuses on. While one might imagine a clearer picture emerging

from the analysis, taking into account that the process placed major emphasis on the increase in participation, the level of active exercise of citizenship is by far ambiguous. The following analysis focuses on the levels of engagement from citizens in School Juntas, OTBs, and the participative planning mechanisms, thus showing the areas in which the citizens were obliged, as such, to exercise their citizenship. At the national level, the analysis focuses on the exercise of the rights in the form of participation in political activity such as demonstrations and other activities that were not purely political, such as blocking traffic and occupying lands or buildings. The latter ones point to degree of commitment to the system of government and the various forms of expression citizens have and that the democratic system might allow.

Municipal

Graph 7.16: Taking part in school juntas

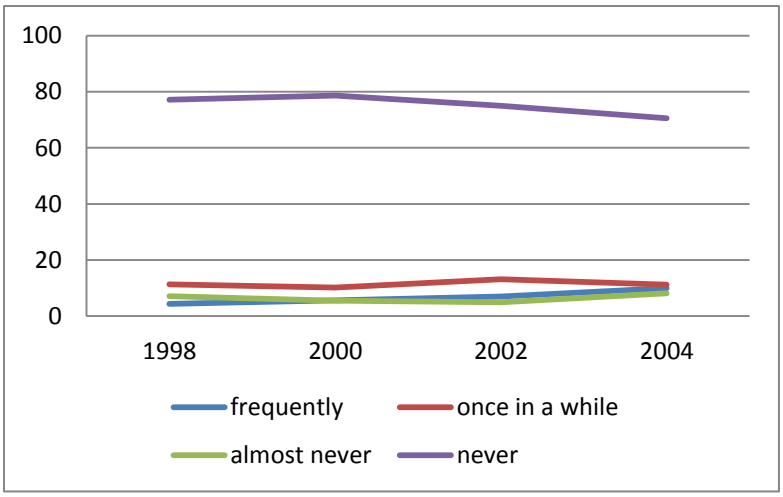


Source: Own elaboration with data from LAPOP and Latinobarometro.

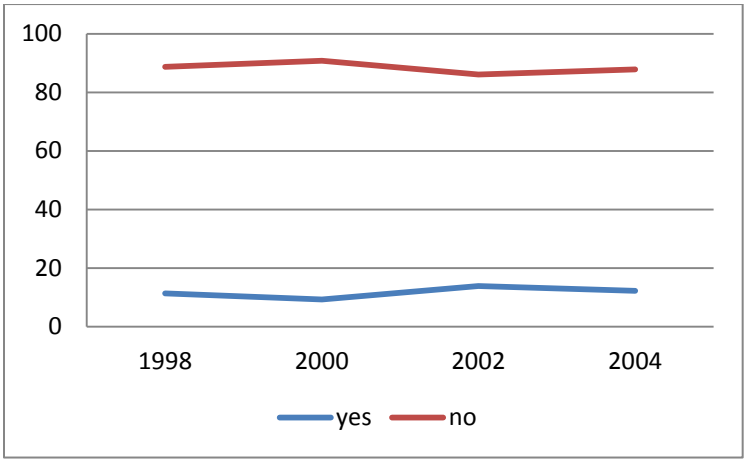
Graph 7.16 depicts the engagement of citizens in the spaces created by decentralization in the area of education where these citizens had to exercise their rights and obligations, e.g. the right to be a part of the decision-making mechanisms, the right to have influence on determining the access to education, and the right to build the already mentioned democratic skills. Furthermore, the participation in such institutions was voluntary and as such it was a measure of the degree of commitment people have to society, to their families and the system of government. Lastly, it is also a measurement of how people or citizens exercise their political and social rights and obligations within the democratic system. The

graph depicts a sobering first impression. First, the percentage of people who never attend is between 35 and 40 percent while if the percentage of people who almost never attend is added, the total is around 40 to 55 percent. Second, the curve representing those who never took part in a meeting of School Juntas depicts an increasing trend, from 34 to 41 percent, over the 1998 to 2004 period. On the flip side, the graph shows that in 1998 there was a gap between those who frequently attended and those who once in a while attended these meetings. The gap was about seven percentage points. Important however, is to notice the decreasing trend in the percentage of those who once in a while attend those meetings. The trend has been significantly negative decreasing from 31 to 24 percent over the same period of time. The picture points to a negative trend in the attending of such meetings. Less and less people have stopped attending once in a while and more and more people have stopped altogether. People who do not attend to such meetings cannot actively exercise their rights.

Graphs 7.17 and 7.18: Taking part in OTB meetings and in participative planning



Source: Own elaboration with data from LAPOP and Latinobarometro.



Source: Own elaboration with data from LAPOP and Latinobarometro.

In contrast to the above analysis, the picture presented by Graph 7.17 has been of an increasing trend in the percentage of citizens who took part in OTBs. The percentage of people who frequently took part in OTBs has increased from four percent in 1998 to 10 percent in 2004, marking a modest increase but, in terms of the exercise of citizenship, in the right direction. Moreover, from those who never took part in OTB meetings, the percentage of people has visibly decreased from 77 percent in 1998 to 70 percent in 2004. OTB meetings might have turned, as the designers of decentralization intended, into the arena where citizens can not only expand their citizenship but also actively exercise it.

Surprising, however, is the percentage of people who took part in the participative planning mechanism at the local level of government. This was supposed to be the qualitative improvement for the Bolivian system. However, as Graph 7.17 shows that the percentage of people who did not take part in this process was the overwhelming majority, somewhere in the 89 percent, while there is a steady 10 to 11 percent of citizens who do take part in the process.

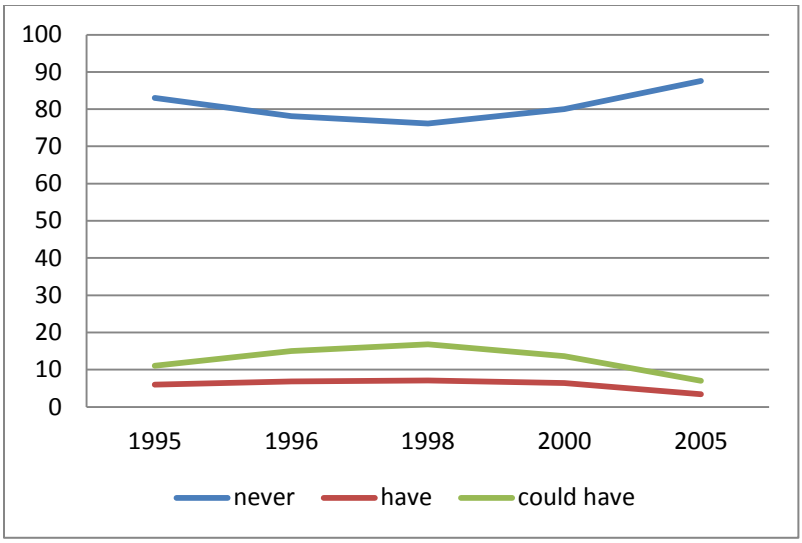
A tentative conclusion indicates that Bolivian citizens indeed are more active when it comes to their communities. As we have seen, the engagement in OTBs has been on the increase, albeit it has been a modest increase. This means that more and more people have had the opportunity to exercise their rights and obligations in the immediate proximity of their community. On the other hand, the exercise of citizen rights might have not been

attractive when the opportunity presented itself of engaging in the decision-making process at the local level.

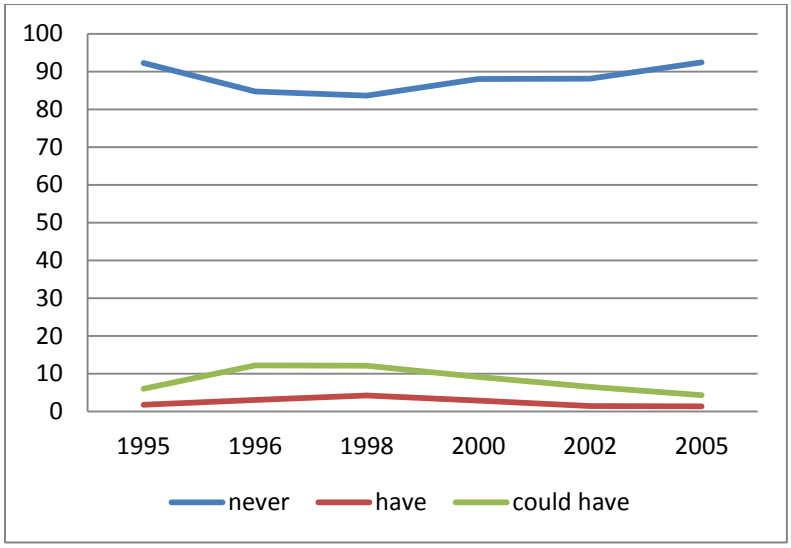
National

At the national level, citizens have had the opportunity to exercise their citizenship by expressing their preferences in a collective action form such as demonstrations, road blockades and occupations, which in Bolivia have been a regular means of interaction between the State and society. Collective action has been many times linked with civic duty because there was a feeling of support to the community or a social class that needed the attention of the State. It was also a way to exercise the fundamental rights to free expression, assembly and, in many Latin American cases, the right to peaceful protest. The blocking of traffic and the occupation of land or buildings to collectively express opinions, demands and policy preferences indicate a strong way to make use of political rights.

Graphs 7.19 and 7.20: Block traffic and occupy land or buildings



Source: Own elaboration with data from LAPOP and Latinobarometro.



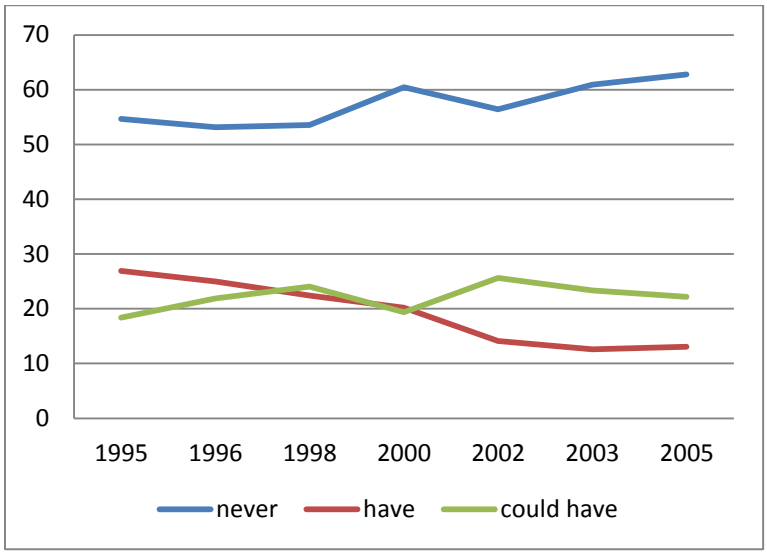
Source: Own elaboration with data from LAPOP and Latinobarometro.

Graph 7.19 shows that the majority of Bolivians asked about whether they took part in a traffic blockade said they never did. In addition, this line depicts an increasing trend (1998 to 2005) indicating that less and less Bolivians engaged in such exercises of citizenship. On the other side, the percentage of people who have engaged in such activities has tended to decrease over the same period from almost six percent in 1995 to three and a half percent in 2005, while the percentage of people who could have (showing awareness) increased from 11 to 17 percent in the 1995 to 1998 period but then decreased from 17 to almost seven percent by 2005. This picture shows the relative small tendency of people to go out and block roads versus a large majority who did not engaged in such activities. This means that there is a small percentage of people, who might be or not aware of their rights, who exercise their right to protest in this form.

In similar manner, Graph 7.20 shows the percentage of citizens who took part or not in the occupation of land and buildings as a form of protest. As with the graph before, this graph portrays that the majority of citizens, somewhere in the range of 83 to 92 percent, did not take part in such activities. From those who never occupied land or buildings, there was a short period, namely from 1996 to 1998, in which the percentage of people taking part decreased. From 1998 to 2005, however, the percentage of people who never participated in such activities tended to increase. By the same token, the graph also shows that there was a small minority of people who did engage in such forms of demonstration, but the

percentages of participation were small, ranging on the two percent. This picture supports the tentative conclusion that there was a small minority who did use these extreme forms of demonstrations in order to exercise their political and social rights as citizens.

Graph 7.21: Taking part in demonstrations



Source: Own elaboration with data from LAPOP and Latinobarometro.

Leaving aside the afore mentioned extreme types of collective action and concentrating on the more accepted form of demonstration, Graph 7.21 shows the percentage of citizens taking part in public protests. In the first place, the graph indicates that there was a significant majority of Bolivian citizens who never took part in demonstrations, while there was an additional significant minority that were conscious of their right to demonstrate but did not make use of that right. The latter minority and the majority, before mentioned, make up an overwhelming majority, 70 to 75 percent. Moreover, the percentage of those who have taken part in such demonstrations has tended to decrease from around 26 percent in 1995 to 13 percent in 2005 over the time under consideration. These results show that the majority of citizens do not make use of their right to demonstrate, and furthermore, that there is a small minority who does take advantage of their right to demonstrate.

7.6 Interpretive analysis: Decentralization, citizenship and democratic deepening

The analysis in Chapter VII revealed that the effect the decentralization process had on the Bolivian democratic deepening concentrated on the creation and expansion of citizenship as well as the opening of spaces for the active exercise of citizenship. This creation and expansion took place, in large part, in the area of social citizenship, because civic citizenship, i.e. the fundamental rights of individuals and political citizenship, i.e. rights such as the right to vote, were to a large extent defined already in the Constitution. In this line of thought, the analysis revealed that the process concentrated on the affirmation and attribution of social rights and obligations which were conducive to the solidification of social citizenship. Chief among these rights were the access to education and health for citizens and chief among the obligations were the acquisition by citizens of more democratic skills, such as internalizing the norms and values, learning about the democratic system and process, accumulation of democratic experience, enhancing self-awareness, and thinking about political issues. Some of this acquisition of skills took the form of citizens taking consciousness of their political views, the formulation of political preferences and their ability or willingness to run for public office (at the local and national level), without having to be affiliated to a political party, thus going through the process of building a political career, also citizens becoming self-aware, and proud, of its citizenship by displaying a positive association or identification with the Bolivian citizenship as well as by demanding their rights and becoming conscious of their obligations and by perceiving equality under the law.

In addition, the analysis revealed that the decentralization process created citizenship for institutionalized groups or organizations that grouped many people in the civil society sense of the word ‘grouped’. These institutions were then defined as the subject of the process and as such were attributed rights and obligations. This attribution of rights and obligations signified an official creation of group citizenship. In that sense, the creation of OTBs reveals such creation of group citizenship by attributing these organizations rights and obligations for the participation in the political process. Moreover, the official recognition of the OTBs as the subjects of the decentralization process allowed the official incorporation of traditional forms of organization, along with these organization’s own

cultural traits, rules, identities and values. This is the case of the many indigenous peoples organizations that are to date part of the decision-making process at the local and national levels of government.

At the municipal level of government, the analysis of the data in Chapter VII reveals that the creation of OTBs was an effort to institutionalize a basic structure of organization for civil society. The OTBs could be any grouping of citizens that had the aims of being involved for the betterment of the community. In that sense, in Bolivia there were countless neighborhood associations, mothers association, clubs, cultural groups, syndicates, unions, professional associations, peasant associations, civil committees, and the like, which found in the OTB system a structure in which they could find recognition and attention from the part of the government. These institutions were initially looked with the most skepticism in the rural areas because the people there thought this new system was yet another means to replace the traditional forms of organization practiced there. Later, however, it turned out to be a widely accepted system, one which could be appropriated and organically adopted to the local traditions.

An additional effect of decentralization on the democratic deepening was the expansion of the political representation system. The OTB system provided a way for the organization of the civil society. Beyond that, the reach of this kind of organization was felt in the electoral arena, once the Law of Citizen Organizations and Indigenous Peoples was passed. This law allowed citizen organizations and indigenous peoples, which were already organized and officially recognized by the system, to propose candidates to seek political relevance at the local as well as the national levels. These opportunities were widely used by local organizations to get a hold of local power through elections. Moreover, it is a common argument among Bolivian scholars to say that the rise of MAS and Evo Morales could not be explained without the decentralization process.

At the national level of government, the expansion and exercise of citizenship was marked. The results show that with the passing of the Law of Citizen Organizations and Indigenous Peoples, the participation and projection of local organizations on to the national electoral arena went through a sudden and sharp increase. The number of citizen organizations

taking part in elections exploded from zero to 388 from one municipal election (1999) to the next one (2004). One of the most notable effects was the fragmentation of the political representation system in the country.

This, at the same time, led observers to conclude the breakdown of the traditional political party system, i.e. the established political parties. This was because in 2005 no traditional political party with a long history had taken part in the elections of the President and Vice-president and Congress. Moreover, none of these parties were represented in Congress. However, as the results show, the traditional parties did not dissappear, they merely retreated from the national arena to the local political arena.

One final revelation from the analysis is the fact that local political power has been an urban phenomenon in Bolivia and is still an urban phenomenon. As the results show, local power is most disputed among civic organizations or citizen organizations. The number of political parties and indigenous groups is limited. This is even true in the departments with the most indigenous population such as La Paz, Oruro, Cochabamba and Potosi.

The expansion of citizenship is also analyzed. The chapter sows that, similar to what Chapter VI showed, the level of involvement of citizens in the community is significantly higher. The trend analysis shows that over the period under consideration, there is a positive tendency of citizens to involve themselves in the solution of community problems. This, once again, might be attributed to the already existing form of organizations communities had before the LPP created local government and before the state reached these communities.

As a measurement of political involvement, learning about the democratic system and process, accumulation of democratic experience, enhancing self-awareness, and thinking about political issues, the chapter looked at the level of exchange among citizens on political issues and the level of activism or commitment each citizen felt about the political events in the country. The results show a large percentage of citizens (70 percent) do not speak about politics with friends and those who do, the rest, do it frequently. At the same time, a large percentage of people (80 to 90 percent) do not try to convince the other of

their own political views. However, this percentage has been slowly decreasing. On the other side, the rest of people do try to convince their friends of their own political views and this percentage of people is slightly increasing over time. By the same token, a significant percentage of people (50 to 60 percent) disapprove that other people express their political opinions. This, points to an increasing intolerance of people expressing political opinions.

In an effort to measure the level of perceived security by citizens, the chapter looked at a question asking precisely if the respondent was a victim of crime or not. According to these results, the level of insecurity, while decreasing in the end of the 1990s has been increasing to date, although in 2005 decreased once again to the prior level.

Finally, the perception of people seeing themselves as equal before the law sought to measure the level of legal security each citizen felt the Bolivian system gave them. According to the results, Bolivians do not feel secure when confronted by the law. That is, 70 to 80 percent of the population feels that they are not equal before the law. This, points to the failures of the legal system and the many problems it has.

At the national level, the results analyzed the level to which Bolivians accept the rule of the law as a measure of acceptance of the democratic system. On the one side, the results show that Bolivians are proud of their citizenship, although the trend shows a slight decrease from 2004 to 2005. However, this decrease might manifest itself on the people who are just fairly proud of being Bolivians. This does not have to mean that Bolivians are discontent with their citizenship. The high level of proudness points to the fact that the majority of Bolivians positively identify with the Bolivian citizenship, with all its rights and obligations. Moreover, a majority of Bolivians say they only follow the law a little, while some 30 percent (on the average) who answered quite and very (follow the law). This result shows that Bolivians have still to internalize democratic principles such as the rule of the law. However, the increasing trends are encouraging. Finally, the results show that a majority of Bolivians can and do demand their rights.

Chapter VIII

Conclusions and Recommendations

8.1 Introduction

In recent decades, Latin American governments, largely promoted by the international development community, have been implementing decentralization measures based on two main ideas. The first idea was that people needed to get involved in the political process in order to promote democratic stability through the legitimation of the process. The second idea, closely related to the first, was that the engagement of people would contribute to the deepening of the democratic process and therefore to the consolidation of democracy. The Bolivian government in 1994 decided to join the effort and implemented a singular decentralization program that, unlike other programs around the region, made the citizens the subjects of the process and therefore, the process, dependent on them. The main aim was to rely on the inclusion of the citizens in the decision-making and policy-making

processes in order to bring stability and depth to the democracy. In light of recent developments in the country, chief among them a deep sociopolitical crisis which placed the democratic process in serious question, this dissertation sought to addresses two queries: Have the Bolivian decentralization efforts contributed to the country's deepening of the democracy? What kinds of effects have these been?

The main purpose of this case study was to better understand the effects a singular decentralization process, such as the one in Bolivia, has had on the democratic deepening of the country. With that purpose in mind, this study observed the empirical evidence during the period of implementation, from the introduction of decentralization in 1994 to a time where the process began to change in 2005. This study focused on this period assuming that, while controlling for other possible factors that may play a role, the observation of trends within the period of implementation indicated that decentralization had contributed to the democratic deepening in Bolivia in the areas indicated by the study. The focus on such period is especially important if it is considered that the decentralization process was introduced by laws which aimed at changing the democratic legal framework. Following that logic, this case study framed the problem so as to test two theoretical propositions and to develop and test an alternative hypothesis. These hypotheses were framed by a general hypothesis, formulated in the literature as a stylized fact, which stated that the Bolivian decentralization process positively affected the democratic deepening. At the same time, three sub-hypotheses were proposed which stated that these positive effects worked through the creation/reform of institutions, increased citizen political participation and the creation/expansion of citizenship.

The following conclusions are based on the results of the qualitative and descriptive analysis of documents, surveys, electoral data and expert interviews conducted in Chapters V, VI, and VII. Chapter V addressed the question of whether and how the creation and reform of institutions by the decentralization processed had effects on the democratic deepening in the country. Subsequently, Chapter VI addressed the question of whether and how decentralization affected the democratic deepening through the increase of citizen participation in the political process. Finally, Chapter VII addressed the question about whether and how decentralization contributed to the creation and expansion of citizenship

in the country. Following is a discussion of the major findings and conclusions as well as a brief section on possible recommendations.

8.2 Conclusions

The major finding advanced by this study is that decentralization has a very real effect on the democratic system of government of a country. This conclusion might seem redundant, but it is imperative to accentuate that decentralization is not merely a policy tool which is used to achieve some objectives a government might have. The introduction of decentralization in the case of Bolivia meant the application of a quite dynamic and complex process which was introduced through real changes in the normative framework and that those changes were aimed at influencing the democratic system. This was especially true for the Bolivian case because the decentralization efforts did not only aimed at reforming the state, such as delegating administrative tasks to sub-national levels of government or making the state more transparent and efficient, but they aimed at transforming the democratic process from a representative to a more participative and deliberative process. These effects were bound to be more complex and, for that matter, relatively unpredictable which usually takes time to realize. The Bolivian case is a critical example of this.

In the first place, the study shows in great detail how the Bolivian decentralization process reshaped the country's democratic system of government. It did so, by introducing some 128 normative institutions which were applied by phases and according to hierarchy. The first phase introduced a set of 16 core national laws and one supreme decree which defined concepts, set structures and opened up political spaces all throughout the period under study. In the same manner, during phases two and three, the decentralization process reached deep into the democratic fabric of the country by implementing, for the most part, decrees and resolutions, thereby directly affecting the behavior of Bolivians at the national, departmental and local government levels. These changes reshaped the representative character of the Bolivian democracy by introducing participatory and deliberative features into the system thereby effectively changing the character of the democratic system.

Second, given the centrality of the citizen in the Bolivian decentralization process, the above mentioned institutions opened up political spaces where people could (and were expected to) get involved into the political process. One significant outcome on the side of the government was that the decentralization process created over 300 local or municipal governments where there were none. From one day to the next, each municipality across the country had a Mayor, municipal assemblies and other new institutions such as CVs, school juntas, local health boards, development councils, and public audiences, to name some. In the same manner, the departmental level of government also saw changes such as the introduction of departmental councils and other functional councils and health related institutions. In addition, the national level of government also saw some changes which included the introduction of the legislative initiative, the referendum and the creation of the Ombudsman as well as other councils and boards which were the counterparts of the various councils and committees at lower levels of government.

At the same time, on the side of civil society, the law introduced institutions such as the OTBs, parent committees, departmental and national committees of social control. Significant was the creation of OTBs, which in reality were a neighborhood association, an indigenous nation, a *campesino* syndicate, a mothers club, etc. OTBs were created in an effort to organize civil society in a manner in which each OTB would have the right and the responsibility to have representation and voice in the local political process and beyond. Once a civil society organization would acquire OTB status, it would have to be taken into account by the local government and be incorporated into the local decision-making and policy-making processes. One of the ways in which an OTB would be incorporated was the CV. These committees were made up by representatives of the OTBs. Each CV had the responsibility to control the local government in the areas of budget setting, local public investment, and development efforts. However, the CVs did not only have the responsibility to control, they also had the means. CVs could stop the flow of funds to municipal government with a complaint to Congress.

Moreover, the national level of government saw a series of changes in the decision-making process as well. Normative as well as deliberative institutions were introduced such as a national social control council, referendums, and citizen legislative initiative. It was thus

that the decentralization process populated the local, to a lesser degree the departmental and national, decision-making process with institutions that were supposed to work together to bring a better government and a more involved civil society.

The institutions that were created, in both sides, were mandated to interact with each other in all levels of governments, with a special emphasis on the local level. The arena where these institutions met was the various deliberative and consultative bodies the decentralization process created for that purpose. These mechanisms of interaction allowed civil society to have a say in the formulation of local policy. Moreover, the majority of these institutions were deliberative bodies and therefore in them were inherent the participation and representation aspects. Examples of these institutions are for instance the Municipal Assembly where citizens, after being elected to the assembly, would gather to administer the municipality's affairs. One important task for the assembly was the election and recall of the Mayor. Another example is the CV where OTB representatives would gather to exercise social control on the local government's actions. Other mechanisms of interaction were the school juntas and local health boards where representatives of government and civil society would meet to discern local education and health issues. Finally, these deliberative institutions were also present at higher levels of government. That is for example, there were departmental councils, where OTB representatives from all municipalities in that department would gather to work for regional development. In the same manner, the national level had councils and committees, which were the national counterparts of local institutions and worked on coordinating the national with the local efforts. In addition, the law also reintroduced or reshaped already existing institutions, to complement the decentralization and the deepening of democracy efforts. Among these, for example, are the Prefect who would lead the departmental level of government and the Mayor who would lead the municipal government. These institutions were already present before but were reintroduced once again, with different characteristics based on the decentralization objectives. These efforts reshaped the representative character of the Bolivian democracy making it more deliberative, participative and even more representative.

A second major finding has shown that the effects of decentralization on the democratic deepening beyond the shape of the system were, at best, ambiguous. This conclusion supports the decentralization literature's consensus about the unclear effects of decentralization efforts on the respective country's systems of government (see Oxhorn 2005; Faguet 2003, Mahoney 2010; Gaventa 2006; Cameron 2010; Cheema and Rondinelli 2007 and Cariño 2007). In the Bolivian case, the empirical evidence strongly supports the claim that decentralization has had a direct impact on the country's system of government and thus on the democratic process through the application of normative institutions which directly modified, or in the words used in this dissertation, reshaped the normative institutional framework of the system. On the other side however, this study cannot confirm the claims that the Bolivian decentralization efforts has contributed to a positive effect on the political participation of citizens and the creation and expansion of citizenship.

The analysis of the citizen political participation in electoral and non-electoral forms of political participation reveals an ambiguity in the effects decentralization had on the Bolivian system. The analysis of the participation in elections revealed a clearer positive effect at the national level, albeit not without caveats, which will be discussed in the next paragraph. However, at the local level the nuances of each particular municipality lead to the conclusion that the effects are less clear and much more diverse. In the end, the participation in electoral processes has certainly been ambiguous.

The analysis at the national level reveals an increase in the number of people who casted votes in general and municipal elections. This might lead to the tentative conclusion that the Bolivian decentralization did contribute to the increase in this type of political participation. However a more nuanced look reveals caveats. When the results at the departmental level are considered, it is possible to note that the positive trend at the national level become relative. The empirical analysis shows that not every department has shown the same positive trend. There are departments in which the trend is flatter and, at least in one department, the Santa Cruz department, the data shows a slightly negative direction. In addition, it became evident that since the 2005 general elections had such unusually high voter turnout, if it was taken out of the analysis the trends would flatten even more indicating lesser increase in the participation of citizens in the electoral process.

Furthermore, if a longer time period is considered, for example since the re-democratization of the country in 1982, it is evident that the pattern of citizen participation in elections has indeed remained flat or even slightly declined.

The analysis of the municipal level brings to light this ambiguity even more. As stated above, the patterns of participation in elections were not entirely clear. The analysis showed that the particular local contexts are very important, if not decidedly important. When it comes to each municipality, there are significant differences between those who have a regular pattern of participation and those who have an irregular pattern of participation. Those with a regular pattern have tended to reflect the national and departmental level of participation; that is a minimal increase over the period analyzed and the prioritization of general over municipal elections. These municipalities tended to be the majority of the municipalities. However, those with an irregular pattern of participation highlighted the diversity that exists among municipalities and that underneath the general average trend the picture is much more complex and perhaps a different one. For example, some municipalities placed more importance on municipal elections than general elections, thereby contradicting the national average. Moreover, other municipalities showed a level of participation higher than the average while others showed a lower level of participation in the period of analysis, suggesting that some municipalities were more motivated than others. The over participation or the lack of interest in participation arguments were complicated by those municipalities which began with a higher than average participation but ended the period of analysis with a substantially lower level of participation pointing to the conclusion that for these municipalities earlier elections in the period were more important than later elections, with the exception of 2005. This diversity points to differences in a variety of factors, for example issue preferences, political and participative culture, community involvement values, incentives to participate, awareness of participation opportunities, obstacles to participation and saturation. Furthermore, this diversity contradicts the positive expectations of the experts interviewed about the effects of the decentralization process on electoral participation and thus makes any conclusion vague at best.

The analysis of the non-electoral political participation exposed even more this ambiguity. The analysis found that there was a negative trend concerning the participation of citizens in the political process, such as in governmental institutions such as the Municipal Assembly's public meetings, the formulation process of the POA and the school *juntas*. This negative trend continued when participation in civil society was considered, albeit with better levels of participation. While the level of participation in meetings concerning the community fluctuated around 40 to 45 percent, compared to 10 to 15 percent of participation in governmental institutions, the tendency to participate was decidedly negative. This negative trend seems to be symptomatic of problems at the local level, perhaps simply lack of interest. One indication of this was the increasingly negative trends of citizen participation in the education area where the number of people always taking part in such meetings was declining. The only exception seems to be citizen participation in religious groups. The analysis reveals a marginal increase in the participation of citizens in such groups. The level of participation at the national level of citizens in social movements and protests suggests a likewise declining level of overall participation. It is particularly interesting that the level of participation in social protest has been declining given that Bolivian society presents itself in the literature as active and mobilized.

A further finding based on the level of participation in the participation mechanisms that were analyzed revealed that there was a level of local elite creation. The analysis highlighted that those citizens who do participate in the institutions created by the decentralization process made up around 20 percent of the population. This was a persistent result indicating that only certain people did take part in the political process. This outcome is in strong contradiction with the assumption and expectation that the decentralization changes were going to promote or result in a more participatory process where the majority of people would take part in the political process.

In third place, the analysis of the effects of decentralization on the creation and expansion of citizenship displayed further ambiguity. On the one side, the study showed that the decentralization process did create citizenship at the municipal and national levels. At the municipal level of government, the process successfully created the OTBs, which were formally and legally attributed with rights as well as responsibilities and the incentives to

actively exercise them. OTBs had the right and the obligations to take part in the decision-making and policy-making processes, such as the formulation of local public investment, budget setting and formulation of investment and operative plans. In addition, the OTBs had the important obligation to oversee the local government. At the national level, a law was responsible for attributing civil society organizations with rights as well as responsibilities, for example allowing them to aggregate and represent the political preferences of citizens at the national level and, as political organizations, participate in the electoral process proposing candidates to be elected into public office.

In any case, while the increase in the number of civil society organizations which took advantage of the latter law was unprecedented, the analysis revealed that the aims at including the majority of societal groups were not realized. The results show that the increase in the number of such organizations has a significant urban bias where the majority of these organizations are based in the urban centers or the largest cities in Bolivia. The number of indigenous groups taking part in the political process has been very modest, to say the least.

On the other side, the study showed that the expansion of citizenship did not have a significant effect on the political, but above all, on the social dimension of citizenship. While the results point to a striking commitment on the part of citizens to involve themselves in community issues, especially if it is to solve problems, they also show that there is an equally striking absence of a politically aware citizenry that is interested and knowledgeable of the political developments at the local as well as the national levels. For example, there was a considerable percentage of people who did not try to express their political opinions without restriction or even, beyond that, try to convince others of their own political views. One reason for this might have been that there was a high level of intolerance for other people's opinions among Bolivians.

Furthermore, the results showed that there was a degree of lack of prevalence of the rule of law in Bolivian society. Of course, this conclusion should be considered knowing that Bolivia has a functioning democracy and is not a lawless country. This became visible through the analysis of the social dimension of citizenship. For one, there was a marked

level of perceived personal insecurity among Bolivians. The results showed that there were a large percentage of citizens who were victims of a crime. In addition, the results showed that Bolivians displayed a relatively low perception about being equal before the law. Lastly, there was a low perception among Bolivians that citizens followed the law. Finally, one set of results that show a level of social citizenship expansion was that Bolivians became aware of their obligations in the democratic system of government and demanded their rights as citizens. Also, Bolivians gained a greater sense of pride about being Bolivian citizens and showed their consciousness by engaging in the community. These factors pointed to the fact that Bolivian citizens might have learned to demand their rights and be proud of their citizenship, but the learning curve was markedly lower when it came to unconditionally accept the rules of the democratic system and internalized its norms and values.

A further conclusion begins with the consideration that because the effects of decentralization are ambiguous, the changes made upon the system of government, which for all intents and purposes are bound to have clear objectives, do not only have expected results but also unexpected effects. Once again, this is especially true if the decentralization measures are implemented as a process. On the one side, the expected effects or objectives might realize or not. The Bolivian case study has shown, for example, that not all the expected effects have been realized. For example, the participation of citizens has not met the expectations of the implementers in the areas that were targeted. On the other side, the Bolivian case has revealed that the decentralization process that was implemented had several unexpected effects on the system. Just to cite one example, the percentage of people who did get involved in the decision-making and policy-making processes as the decentralization process mandated might have resulted on the creation of local elites, which might exclude the general population from further involvement.

Furthermore, the effects decentralization has, expected or unexpected, might lead to progressive and regressive effects. In this case, since the subject is the democratic process, these effects might lead to the progression or regression of democracy. In the Bolivian case, the ambiguity of the results does not permit to point out clear progressions or regression; however the results do point to some examples where the democratic deepening progressed

and where it might have regressed. The Bolivian decentralization process did contribute to the progression of the democratic deepening by strongly incentivizing citizens to participate in the mechanisms of participation that the process introduced. As discussed above, citizens involved themselves in the various institutions such as the OTBs, CVs, and the many deliberative/consultative institutions created by the process. Through these mechanisms, at least some citizens (presumably the most motivated) engaged in the processes of local budget setting, local development, local public investment and also in processes of decision-making at the national level (e.g. referendum) as well as involving themselves personally in the electoral process as candidates or committed supporters. Moreover, the decentralization process might have contributed to the progression of the democratic deepening by creating (e.g. OTBs and political movements) and expanding the notion of citizenship (e.g. allowing citizens to acquire democratic skills).

A further conclusion is that the decentralization process has the real potential to change the democratic process and make it more participative, deliberative and representative. The Bolivian case has shown that its decentralization process has modified the country's democracy and made it substantially more participative. The examples already cited are evidence for this. While the indication is that a fraction of the total population (around 20 percent) has become engaged in the political process, this is a real success for a country like Bolivia which before the introduction of decentralization did not even have municipal governments present in its entire territory. In addition, the decentralization process in Bolivia might have made the democratic process more deliberative. The decentralization process introduced mechanisms of interaction at every level of government, from the municipal assemblies, the CVs, the school juntas, the local health boards, the committees for discussing public investment, local budget and infrastructure, to the departmental councils and the various committees which have the task to coordinate the local with the national efforts, to the various national committees also with the tasks to coordinate the work of the national government with the local government's work. Lastly, the decentralization process in Bolivia might have contributed to making the country's democracy even more representative. This is seen as the thousands of civil society organizations were able to take part in the electoral process aggregating the political preferences of citizens and claim decision-making power and a seat in the table of decision.

This was also seen at the national level where several of these local political movements could project themselves beyond their local municipality and build, either a national structure or alliances with other similar thinking political movements around the country in order to claim power at the national level. Of course, a caveat would be that the latter has also the potential to open up the doors for anti-systemic political movements to take power and regress the democratic advances that have happened so far.

8.3 Recommendations

Out of the knowledge gained through this study, an exemplary recommendation for those governments intending to implement decentralization as well as those which are in the middle of the implementation would be to begin (or in a given case to continue) by conceptualizing decentralization as a multi-level, multi-dimensional, dynamic process and not as a policy instrument, which is often the case. Conceptualizing decentralization thus allows policy makers to consider the complexity and dynamism of such process. Precisely because the components of decentralization have the potential to become effective in a given level of government and within a dimension and there is the possibility that such component might move within levels and dimensions, the effects are hard to predict. Such unpredictability should be accounted for in the design of decentralization and the formulation of objectives.

The design of decentralization should be viewed not as a panacea for specific political problems that might arise such as particular electoral consideration on the part of a government to solidify its support at the local level, but rather should have concrete, middle-term and long-term goals. These goals should account for the time in which a process such as decentralization can take in order to be implemented. Especially, if decentralization has objectives such as to bring democracy closer to the people or increase the participation of citizens, these objectives point to a longer and more complex period of implementation as it is not enough to make laws but the minds and hearts of people have to be won.

Moreover, the design of decentralization should aim at anticipating, to the degree possible, the unexpected effects that might arise during the implementation period. In this line of logic, it would not suffice to have a list of expected objectives as sufficient outcomes, the design of the process might require as well a list of possible unexpected outcomes and guidelines of how to deal with these. Of course, these, unlike the expected objectives, would heavily depend on the respective national as well as local political conditions. However, an approximation of unexpected outcomes should prove useful as the process progresses.

Regarding the Bolivian case, it would be advisable for authorities to work on breaking that process of local power capture that seems to be going on with the creation of local elites. One way to achieve this would be to eliminate the system of OTBs. It seems restrictive and subject to the creation of mechanisms of exclusion to require civil society organizations to transform themselves into a territorially restricted concept such as OTBs if they want to take part in the political process. For example, NGOs are largely out of the mechanism if they are not allowed to register as OTBs, however, in general, they do too have the potential and many times do contribute to the political process not only at the national but more so at the municipal level. Another example that highlights the creation of mechanisms of exclusion is what has often happened in Bolivia. In many cases, the local government has co-opted the CV and this situation often results on the exclusion of people who are not in accord with the local dominating political thought.

A further means to counter that would be to conduct a campaign on democratic education. This means that citizens would not only become aware of their rights but also would learn about what their obligations really mean. A healthy level of knowledge on how the democratic process works, for example how budgets are set, how decisions of public investment are made, how important is consensus, how important is empathy in the negotiation process, how to conduct a vote, how important is to consider the minority's arguments, etc., would strengthen the desire of citizens to get involved in the political process. This would also prevent that only citizens who are already familiar with these concepts or those who are willing to make time to learn them get involved leaving thus the rest outside of the process.

Finally, it would be advisable for the Bolivian authorities to expand the ways in which citizens can (and will) actively exercise their citizenship rights and obligations. For instance, in the municipal level, the local governments have the responsibility to work in the areas of health and education. In the education area, however, the local governments are responsible for the infrastructure in education, while the national government creates the teacher positions and sets the education policy. Citizen involvement in the setting of education policy and the hiring of teachers at the lower level of government would reflect local needs more accurately than what the central government could achieve. The levels of government, as well, would profit by working on the area of information access for the citizen and thus contribute to the acquisition of democratic skills which is of most importance in order to build a solid basis for the democratic process to continue on a stable path.

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List of interviews

1. Alarcon, Carlos (April 25, 2008 at 4 pm, 21: 24 minutes)
2. Albo, Xavier (May 9, 2008 at 9 am, 28: 29 minutes)
3. Ardaya, Gloria (May 15, 2008 at 4 pm, 35: 37 minutes)
4. Ayo, Diego (May 13, 2008 at 9: 15 am, 24: 33 minutes)
5. Barrios, Franz (November 8, 2008 at 6 pm, 44: 47 minutes)
6. Blanes, Jose (April 22, 2008 at 9 am, 1: 04: 45 hours)
7. Brockmann, Erika (April 20, 2008 at 10 am, 43: 45 minutes)
8. Campero, Jose Carlos (April 21, 2008 at 11: 30 am, 48: 40 minutes)
9. Cuadros, Diego (April 24, 2008 at 2: 30 pm, 43: 40 minutes)
10. Galindo, Mario (April 30, 2008 at 3 pm, 47: 14 minutes)
11. Gamboa, Franco (May 5, 2008 at 5 pm, 49: 03 minutes)
12. Gray M., George (May 6, 2008 at 11 am, 56: 24 minutes)
13. Mercado, Moises (April 25, 2008 at 5 pm, 20: 53 minutes)
14. Molina, Carlos Hugo (May 15, 2008 at 3 pm, 51: 40 minutes)
15. Rojas O., Gonzalo (April 30, 2008 at 3 pm, 1: 04: 22 hours)
16. Romero, Salvador Ignacio (May 7, 2008 at 8: 30 am, 37: 32 minutes)
17. Suazo, Moira (April 20, 2008 at 11 am, 59: 59 minutes)
18. Teran, Jose Antonio (May 7, 2008 at 4 pm, 43: 27 minutes)
19. Urioste, Miguel (July 2, 2008 at 4 pm, 17: 25 minutes)

Disputation am 26. November 2012
Erstgutachter: Prof. Dr. Detlef Nolte
Zweitgutachter: Prof. Dr. Wolfgang Hein