

# **Posibilidad Latin America Update**

June 12, 2006

## **Bolivia Nationalizes Oil and Gas**



**Nobel Prize winner Joseph Stiglitz says Bolivia did the right thing when it nationalized its gas industry. With the second largest gas reserves in Latin America after Venezuela,**

**neoliberal, free market economics dominated the way business was done in the country before the advent of Evo Morales: Bolivians suffered as a result. The once World Bank chief economist said that free trade agreements have a negative effect on Latin America.**



**Sixty percent of Bolivia's populations of indigenous descent fail to reap the benefits of the country's wealth. On the contrary, most of it leaves the country, one of the reasons that Evo Morales received 80**

**percent backing in his promise to nationalize the hydrocarbon industry. It wasn't long ago that the state got a mere 18 percent of the wealth produced from its soil.**



**On *Democracy Now!* Eduardo Galeano, an Uruguayan social critic, touched on one of the main problems facing**

**millions of human beings throughout the planet: "It's a sad story. A daily sad story. I wonder if our time will be remembered as a period, a terrible period in human history, in which money was free to go and come and come back and go again. But people, not." He's referring to the more than \$2 trillion that moves around the world daily reaping huge profits for those who dominate financial capital and who speculate with it. Meanwhile, 200 million people worldwide eke out a living in a country other than their country of origin. Investors utilize advances in the information revolution to make whopping profits. At the same time poverty throughout Latin America continues to grow, forcing people to take the drastic step of leaving family and home.**

**Galeano speaks about "a traditional culture of impotence." "Folks in Latin America just can't do it...the Empire is needed," is how I read that. And you see it working out with Bush and Condoleezza Rice saying that democracy is being threatened in Venezuela and Bolivia.**

Anytime countries act on behalf of the poor, their own people, rather than those from away, like the folks who control



Exxon-Mobil or Repsol, or British Gas, or Occidental Petroleum known as Oxi by those who are shafted by its policies, governments are

accused of being undemocratic or the state viewed as fragile. Those that favored the oil monsters, well, they got high marks for democracy and they're never challenged even though they don't listen to the majority of their people. The people on the bottom know better, and that's why they back governments that put the giants in their place and demand the bulk of energy profits to stay in the country; reinvested in the country, have the money flow into the informal sector rather than leave to the delight of foreign investors making huge profits off of high energy prices. Those pulverized by US policies even speak of Constituent Assemblies with the power to come up with a new Constitution. The thought of giving such power to people terrifies those who prize property rights over people.

Galeano writing in Z Magazine speaks about "collectivities of hope" referring to what's gong on in Venezuela and Bolivia, Ecuador and Argentina boosters of positive energy coming out of Latin America. The Bush Administration sees it as an Axis of Evil.

Writing in La Jornada, a progressive Mexican daily, Angel Guerra Cabrera illustrates where the hope lies: "A force who's intervention has been decisive in the new Latin American awakening is fundamentally the new indigenous movement hat is behind the neozaptismo

in Mexico, el MAS in Bolivia, CONAIE in Ecuador and the Mapuche people in Chile. Even though not indigenous an important contribution has come from the Movement of those without land in Brazil and the piqueteros in Argentina."

These social movements move in the cutting edge of social change in their countries because they're getting to the root causes of their poverty.

Vandana Shiva has something to say about this: "The 'poor are not poor for being vagrants or because their governments might be corrupt.' They're poor because others have appropriated their wealth, destroying their capacity to create it."

In Latin America the appropriation came with institutionalized support and pressure put on countries to privatize, meet fundamentals, another way of saying shape up and open the economy to transnationals. They made out over decades with privatization of state property enforced: it amounted to \$350 billion in capital flight. The winners were those in the US, EU and Japan, not the impoverished of Latin America.

**Posibilidad**

**85 Wiley Street  
Bangor, ME 04401**

**[jimharney@posibilidad.org](mailto:jimharney@posibilidad.org)  
[kate@posibilidad.org](mailto:kate@posibilidad.org)  
[www.posibilidad.org](http://www.posibilidad.org)**

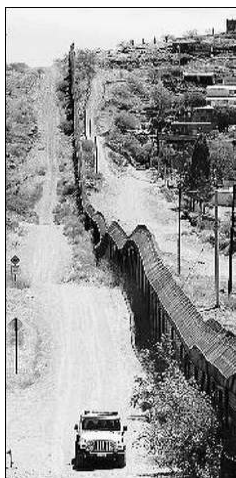
**(207) 942-3501**



**"The United States supports narcotraffickers, terrorism, international mafias, it is a mafia that governs the United States. Someday that dignified people will liberate itself from the mafia. I challenge him (George W. Bush) that he do what we've done here (in Venezuela). Why doesn't he call a referendum, now, and ask the people of the United States if they would like to see him being President or not? He wouldn't last one day in the White House, because the majority would reject him because he is irresponsible." Hugo Chavez quoted in Pagina12, Buenos Aires, Argentina**

## **SENATE PASSES IMMIGRATION BILL S2611**

**On immigration legislation which the Senate just passed Bush lost out on the number of Guest Workers with the majority of Senators voting to cap the number at 200,000 down by half from the bill that came out of a Senate Judiciary Committee. Yet S2611 demands that some 2 million undocumented people leave the country if they've been here less than two years. It doesn't make any sense, it's unenforceable and it will only mean that they hide in the "shade".**



**La Jornada, a Mexico daily says this about those forced to leave: "For the foreign workers who have two or less years living north of the Rio Grande, the reform changes nothing, that third category of immigrants would continue being persecuted and**

**suffering harassment, discrimination, labor exploitation and complete legal neglect."**

**Robert Hoover of Humane Borders, a faith-based group in Tucson, Arizona that brings water out into the Arizona desert to save lives had a counter-point editorial in USA Today opposing the paper's position favoring fence building along the border. He differed with both the House recommendation of 700 miles of fence and the Senate's version of cutting the miles in half. The Tucson pastor states: "The bottom line for us is that the fences will increase the number of migrant deaths. In just the past few days, men, women and children have died preventable deaths. The youngest was a 3-year-old boy.**

**"Migrant feet will find the ends of the fences. Migrants will cross inhospitable country and be exposed to the elements for longer periods of time. More migrants will die. Face it, the fences are a public works project, not a project that works."**