

From Spaces of Marginalization to Places of Participation: Indigenous Articulations of the Social Economy in the Bolivian Highlands

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Abstract

This dissertation seeks to understand the conceptualization, structure, main benefits and challenges, and institutional environment for the Social Economy (SE) and Community Economic Development (CED) in Bolivia. In particular, the research seeks to understand if and how the SE and CED support shifts of indigenous peoples from *spaces* of marginalization to *places* of participation in economic, political, and socio-cultural terms.

Bolivia provides a relevant context for exploring the intersections between questions of indigenous-led development, CED and the SE. A new constitution, adopted in February 2009, enshrines indigenous rights to traditional territories and self-governance; decentralization of resources and decision-making to local levels; and an economic development model that includes 'social and community forms of economic organization'. Field research explored three cases of collective economic initiatives in rural indigenous communities in the Bolivian highlands within the context of changing local and national governance relationships.

The research shows that the particularities of SE conceptualization and practice in Bolivia relate to the country's indigenous and colonial heritage. There is significant variation in the structures, activities, and scales between the three cases, indicating heterogeneity in indigeneity and a corollary need to move past the traditional-modern dichotomy that shapes much discourse about indigenous peoples. The case studies demonstrate that SE and CED approaches can support improvements in local well-being, measured in social, economic, and cultural terms. Local institutions such as *campesino* unions and municipal governments are actively supporting the SE but are hindered by national policies and lack of capacity. Finally, *place* matters to the potential, form, and agency of development, since the culture, history, and institutions and web of interactions in each place can shape, support or impede efforts to foster the SE and CED.

The Bolivian examples provide learnings that can be generalized to development theory and practice in general. Although the SE manifests in different forms in different places, it emerges for similar reasons—to address uneven development caused by the social and economic exclusion of particular places and groups of people at the local, national, and international levels. Previously colonized people can use SE and CED approaches to foster increased independence and collective well-being.

Keywords: Social Economy; Community Economic Development; Indigenous Development; Bolivia; Development Geography; Participatory Development

Dedication

I dedicate this dissertation to:

- the people of Bolivia who are striving every day to create a better life for their families, communities, and country
- Dr. John Brohman, who passed away before this dissertation was complete, but whose ideas live on in these pages—*¡hasta la victoria siempre compañero!*

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Table of Contents

Approval.....	ii
Ethics Statement.....	iii
Abstract.....	iv
Dedication.....	vi
Acknowledgements.....	vii
List of Tables.....	xii
List of Figures.....	xiv
List of Photos.....	xv
List of Acronyms.....	xvi
Chapter 1. Introduction.....	1
1.1. Research rationale.....	1
1.2. Why Bolivia?.....	7
1.3. Problem statement.....	9
1.4. Research questions.....	9
1.5. Relevance and contributions to theory.....	10
1.6. Why I undertook this study.....	12
1.7. Organisation of the dissertation.....	14
Chapter 2. The Social Economy and CED in the literature.....	16
2.1. Aims, scope, and organization of the chapter.....	16
2.2. The Social Economy.....	17
2.2.1. Definitions.....	17
2.2.2. Role of the Social Economy.....	23
2.2.3. Social vs. Solidarity Economy.....	26
2.2.4. Community Economic Development (CED).....	28
2.2.5. Relationship between CED and the SE.....	32
2.2.6. Community Economy.....	34
2.3. 'Locating' CED and the SSE in development theory.....	34
2.4. The importance of place.....	41
2.4.1. Anglophone contexts.....	42
2.4.2. Francophone contexts.....	43
2.4.3. Latin American contexts.....	44
2.4.4. Indigenous contexts.....	45
2.4.5. Place as a site of multiple interactions.....	48
2.4.6. Place-based development.....	50
2.4.7. Collaborative governance.....	55
2.5. Conclusion.....	56
Chapter 3. Research design and methods.....	58
3.1. Aims, scope, and organization of the chapter.....	58
3.2. Research methodology.....	58
3.2.1. Approach.....	58
3.2.2. Case study selection.....	62
3.2.3. Fit with selection criteria.....	63

3.2.4.	Limitations of Case Study Approach	64
3.3.	Data collection methods	65
3.3.1.	Literature review	65
3.3.2.	Document review	66
3.3.3.	Semi-structured interviews	66
3.3.4.	Participant observation.....	69
3.3.5.	Ethics and consent.....	69
3.3.6.	Summary of methods	70
3.4.	Reflections on the research process.....	71
3.5.	Themes for analysis	74
Chapter 4.	Moving from marginalization to participation	78
4.1.	Aims, scope, and organization of the chapter	78
4.2.	What does “marginalization to participation” mean?	78
4.3.	Bolivia as a site of contrasts	81
4.4.	Bolivia as a periphery	83
4.5.	Indigenous peoples as a periphery within a periphery	85
4.6.	The beginnings of participation (1952-1993).....	87
4.7.	Moving toward greater participation (1994-2012).....	90
4.7.1.	Decentralized decision-making	90
4.7.2.	Recognition of the SE and locally-controlled development	95
Chapter 5.	The SE in Bolivia: Conceptualization and Practice.....	98
5.1.	Aims, scope, and organization of the chapter	98
5.2.	National level conceptualization of the SE	98
5.2.1.	Indigeneity and the Community Economy	98
5.2.2.	Solidarity	101
5.2.3.	Alternative to capitalism	102
5.2.4.	Types of organizations	105
5.2.5.	Institutionalization	106
5.3.	At the local level: Presenting the three case studies	110
5.3.1.	Setting the scene	110
5.3.2.	Indigenous identities in the three communities	120
5.3.3.	Forms of economic organization	127
5.4.	Analysis of Findings.....	133
5.4.1.	Conceptualization	133
5.4.2.	Cases by SE typology	134
5.4.3.	Community Economy characteristics	136
Chapter 6.	Benefits and Challenges of the SE in Bolivia	140
6.1.	Aims, scope, and organization of the chapter	140
6.2.	Chañojahua characteristics and benefits	140
6.2.1.	Integrated development goals	140
6.2.2.	Using traditional knowledge and practices	141
6.2.3.	Building from local assets	144
6.2.4.	Improved food security.....	144
6.2.5.	Place-based approach	144
6.2.6.	Supports environmental sustainability	145

6.2.7.	Rooted in self-management and participation	145
6.2.8.	Local economic multiplier effects.....	146
6.3.	Churicana characteristics and benefits	147
6.3.1.	Integrated approach.....	147
6.3.2.	Regenerating traditional knowledge	147
6.3.3.	Building from local assets	148
6.3.4.	Income generation	149
6.3.5.	Improved understanding of markets and marketing.....	149
6.3.6.	Place-based economic diversification	150
6.3.7.	Appropriate technology	150
6.3.8.	Highly participatory	151
6.4.	Tomina characteristics and benefits	151
6.4.1.	Benefits for individual farmers and their families	154
6.4.2.	Benefits for the local area	156
6.4.3.	Sustainability.....	160
6.4.4.	Participation in decision-making.....	162
6.5.	Challenges	162
6.5.1.	Common challenges	162
6.5.2.	Chañojahuá-specific.....	164
6.5.3.	Churicana-specific	165
6.5.4.	Tomina-specific.....	168
6.6.	Analysis of Findings.....	169
6.6.1.	Asset-based approaches	169
6.6.2.	Participation and inclusion.....	171
6.6.3.	Integrated development goals	172
6.6.4.	Place-based development.....	173
6.6.5.	Supports sustainability	176
6.6.6.	Indigenous entrepreneurship.....	177
Chapter 7. Role of external actors.....		179
7.1.	Aim, scope, and organization of the chapter	179
7.2.	Actions at the National Level	179
7.2.1.	Implementation of the Law of Autonomies.....	180
7.2.2.	Implementation of SSE-related policies.....	185
7.3.	Local level actors and actions.....	191
7.3.1.	Kinds of support	193
7.4.	Analysis of Findings.....	195
7.4.1.	Opportunities.....	195
7.4.2.	Challenges and constraints	198
Chapter 8. Conclusions.....		205
8.1.	Aims, scope, and organization of the chapter	205
8.2.	In response to sub-question 1	205
8.3.	In response to sub-question 2	207
8.4.	In response to sub-question 3	208
8.5.	In response to the main question.....	211
8.5.1.	Political	211
8.5.2.	Economic.....	216

8.5.3. Socio-Cultural	218
8.6. Theoretical implications	220
8.7. Areas for further research.....	225
References.....	227
Appendix A: List of Interviews	241
Appendix B: Questions for Members of Initiatives	244

List of Tables

Table 1: Categories of Social Economy organizations and enterprises	20
Table 2: Convergence and Divergence between CED and SE	32
Table 3: Mechanisms that ground business in place	52
Table 4: Comparison of Place-based, SSE and CED Bottom Lines.....	53
Table 5: Cases according to selection criteria	64
Table 6: Methods for contextual information data collection	70
Table 7: Summary of methods for case study data collection	71
Table 8: Themes for analysis	74
Table 9: SE analysis framework	75
Table 10: Five-point framework for CED and SE analysis	76
Table 11: Laws and policies for local decision-making since 2009	94
Table 12: SSE Legislation and Policies since 2009	95
Table 13: Comparative location and population.....	111
Table 14: Population of Viacha.....	112
Table 15: Bolivia population distribution	123
Table 16: Indigenous identity by self-identification, language, and clothing	127
Table 17: Cases according to SE typology	134
Table 18: Traditional authority positions	142
Table 19: Asset-based approach.....	170
Table 20: Participation and inclusion	171
Table 21: Integrated development.....	173
Table 22: Place-based development strategies.....	174
Table 23: Grounding mechanisms in three case studies	175
Table 24: Supports sustainability.....	177

Table 25: Local Actors associated with the case study initiatives 192

Table 26: Change in total funding devolved to Bolivian municipalities 197

Table 27: Constraints on municipal support for SSE and CED initiatives.....210

List of Figures

Figure 1: Three systems of the economy.....	22
Figure 2: Relationship of the SoE and SE.....	27
Figure 3: APIPS lens for analysing CED.....	29
Figure 4: Spaces of marginalization	80
Figure 5: Geographical zones of Bolivia	81
Figure 6: Bolivian national income change 2005-2009	109
Figure 7: Location of the three cases	111
Figure 8: Location of Chañojahua.....	113
Figure 9: Location of Churicana	115
Figure 10: Road Map from Sucre to Tarabuco to Tomina	118
Figure 11: Tomina's topography in 3D.....	119
Figure 12: Community Economy continuum	138
Figure 13: Six-step process for establishing charters of autonomy.....	182
Figure 14: Status of development of municipal charters.	183
Figure 15: National economic power structure pre-2006 and post-2006.....	187

List of Photos

Photo 1: Transportation challenges	117
Photo 2: Clothing style in Chañojahua.....	124
Photo 3: Traditional Yampara clothing.....	125
Photo 4: Clothing of Quechua campesina in Tomina	126
Photo 5: Traditional methods for processing crops	142
Photo 6: Apthapi.....	143
Photo 7: Hand-weaving method	148
Photo 8: Multiple consumption crops grown alongside oregano crop	155
Photo 9: Employment generation	157
Photo 10: Skills for local management	158
Photo 11. Locally designed oregano-drying shed	160
Photo 12: Community museum in Churicana.....	167

List of Acronyms

AIOCs	Autonomías Indígenas Originarias Campesinas (Spanish)–Autonomous Indigenous Small-Scale Producer Aboriginal Territories
CED	Community Economic Development OR Community-based Economic Development
CIDOB	Consejo de Pueblos Indígenas de Bolivia (Spanish)–the Council of Indigenous Peoples of Bolivia
CONAMAQ	Consejo Nacional de Ayllus y Markas del Qullasuyu (Spanish)–the National Council of Ayllus and Markas of Qullasuyu (English)
CSCIB	Confederación Sindical de Comunidades Interculturales de Bolivia (Spanish)–Federation of Intercultural Communities of Bolivia
CSUTCB	Confederación Sindical Única de Trabajadores <i>Campesino</i> de Bolivia (Spanish)—Federation of <i>Campesino</i> Worker Unions of Bolivia (English)
LCAR	Ley de Revolución Productiva Comunitaria Agropecuaria (Spanish)–Law of Community Agricultural Reform (English)
LDA	Ley de Descentralización Administrativa (Spanish)–Administrative Decentralization Law (English)
LPP	Ley de Participación Popular (Spanish)–Popular Participation Law (English)
MAS	Movimiento al Socialismo (Spanish)—Movement toward Socialism (English)
MESyCJ	Movimiento de Economía Solidaria y Comercio Justo (Spanish)–Movement for the Solidarity Economy and Fair Trade (English)
MNR	Movimiento Nacional Revolucionaria (Spanish)—National Revolutionary Movement (English)
MDPEP	Ministerio de Desarrollo Productivo y Economía Plural (Spanish)–Ministry of Productive Development and the Plural Economy (English)
NGO	Non-Governmental Organization

OEAS	Organizaciones Económicas Campesinas Indígenas Originarias (Spanish)–Economic Organizations of Small-Scale Producers, Indigenous and Aboriginal Peoples (English)
OECOM	Organizaciones Económicas Comunitarias (Spanish)–Community Economic Organizations (English)
RIPESS	Red Intercontinental de Promoción de la Economía Social y Solidaria (Spanish)–Intercontinental Network for the Promotion of Social and Solidarity Economy (English)
SE	Social Economy
SoIE	Solidarity Economy
SSE	Social and Solidarity Economy

Chapter 1. Introduction

This dissertation sets out to understand the conceptualization, structures, main benefits and challenges, and institutional environment for the Social Economy (SE) and Community Economic Development (CED) in Bolivia. In particular, the research seeks to understand if and how the SE and CED support shifts of indigenous peoples from *spaces* of marginalization to *places* of participation in economic, political, and socio-cultural terms.

In February 2009, Bolivia adopted a radical new constitution that enshrines indigenous rights to traditional territories; a plural economic model that includes social and community forms of economic organization with a specific recognition of the indigenous roots of these; autonomy of local decision-making for municipalities and indigenous territories; and the overall multiple ethnic make-up of the country (*Constitución Política del Estado Plurinacional de Bolivia*, 2009, p. 2039). As such, Bolivia provides an appropriate context for exploring the linkages between the concepts and practice of the SE, locally-led decision-making, and indigenous self-determination.

The research centred around three case studies of collective economic initiatives in rural indigenous communities in the Bolivian highlands. The cases provide concrete examples of how social and community forms of economic organization are being conceptualized and implemented at a local scale. The role of external actors in supporting or hindering the initiatives was also investigated, including actors like civil society organizations, municipal governments, and the national government.

1.1. Research rationale

The SE is a conceptual framework for a variety of forms of economic organization whose goals extend beyond merely profit making; that give prominence to the well-being of people and the environment; and that create structures that are more equitable and

inclusive (Amin, Cameron, & Hudson, 2002; Coraggio, 2013; McMurtry, 2010; Moulaert & Ailenei, 2005). Around the world, the term “Social Economy” is applied to organizations ranging from cooperatives and social enterprises¹, to non-profit and voluntary organizations, to informal sector activities, and producer associations. The SE is an encompassing term used to refer to historical practices such as reciprocity economies in traditional societies or the guilds that emerged in Europe in the Middle Ages (Moulaert & Ailenei, 2005), and also to more contemporary activities such as non-profit recycling centres for “binners” or social enterprises that provide employment for difficult to employ populations (Neamtam, 2005).

The SE has been conceptualized as the ‘Third Sector’ that fills gaps left by the market and/or state or, alternatively, as a movement to create and strengthen economic models based on solidarity, collectivity, and equity in response to the perceived shortcomings of global capitalism and individualistic social relations (McMurtry, 2010; Mendell, 2009). The variety of SE forms leads to considerable definitional challenges. Adding to the definitional challenges is the use of a variety of terms such as CED, Voluntary Sector, and Solidarity Economy more or less interchangeably with SE. Significantly, geographical and cultural nuances are evident in the varied terminology associated with the SE. McMurtry (2010) highlights that English Canada uses the terms CED and Social Economy whereas Quebec also uses the term *Économie Solidaire* (Solidarity Economy). *Economia Solidaria* (*Solidarity Economy*) is used more often in Latin America than *Economia Social* (*Social Economy*) (Defourny & Develtere, 1999; Tremblay, 2009) although both terms are evident in the region (Coraggio, 2013). Recently, the term *Social Solidarity Economy* (*SSE*) has emerged to incorporate this diversity in terminology. ***This dissertation seeks to contribute to the improved nuancing of our understanding of the forms and role of the SE within the academic literature by exploring the particular case of Bolivia.***

Although the SE is global in scope, the available English-language literature has focused primarily on researching and understanding the models and role of the SE in the

¹ In this dissertation, I understand Social Enterprises to mean for-profit businesses that “address a social need and serve the common good” (Social Enterprise Alliance, para. 8)

Global North.² Moulaert and Ailenei (2005) outline the history of this sector, illustrating that SE initiatives and models emerged in Europe in the 19th Century in the form of mutual-aid societies and cooperatives. The cooperative wave spread to Canada at the turn of the 20th century, taking hold most deeply in Saskatchewan, Manitoba and Quebec between 1900 to 1950 (Lipse, 1971; Merrett & Walzer, 2004; Quarter, 1992). Lionais and Johnstone (2010) explain that SE protagonism rose up anew in the 1980s as a response to post-Fordist global economic restructuring. Broad changes in the location and spatial organization of manufacturing combined with financial and trade de-regulation left many rural and urban communities without the stable, well-paying employment associated with the Fordist period (Boothroyd & Davis, 1993; Hayter, 2000). Groups of people in the Global North took action to strengthen local economies and to create economic activities that prioritize people over capital. In the English-speaking countries³, these initiatives became known as Community Economic Development (Perry & Lewis, 1994; Ross & Usher, 1989). Conversely, in French and Spanish speaking countries and regions⁴, such grassroots collective initiatives were called Solidarity Economy (McMurtry, 2010; Moulaert & Ailenei, 2005). By the 1990s, new forms of the SE began to emerge, such as social enterprises started and operated by non-profit organizations (Neamtam, 2005). Despite evidence that the SE exists as a concept and practice in much of the world,⁵ a general review of international literature on the SE conducted by a Canadian researcher in 2009 cites just ten articles about Latin America, one article related to Africa, and one about Asia.

² I use the term “Global North” in this dissertation to refer to the core countries that dominate global politics and economics, i.e., the USA and Western Europe. Canada is also included, although it can be argued that it has characteristics of both core and semi-periphery in relation to its economic importance and reach of international aid, it constitutes part of the countries that dominate the global economy and international aid agenda in relation to the Global South countries.

³ By “English-speaking countries of the Global North” I am referring to the United Kingdom, the United States, and Canada.

⁴ By “French and Spanish speaking regions of the Global North” I am referring to Spain, France and Quebec.

⁵ For example, the Intercontinental Network for the Promotion of Social and Solidarity Economy (RIPESS) is a global network established in 1997 for the promotion of the Social and Solidarity Economy, with members from Latin America, Asia, Africa, North America, and Europe (RIPESS website).

She specifically acknowledges a lack of SE literature related to the Global South⁶, in particular for the African and Asian contexts (Tremblay, 2009). A few researchers have documented cases of the SE in the Latin American context, such as incubators to support solidarity economy enterprises in Brazil (Lechat, 2009); worker-recovered companies in Argentina (Coraggio & Arroyo, 2009); the formation of a network of solidarity economy organizations in Peru (Angulo, 2007); and the experience of informal recyclers organizing for collective commercialization of recycled goods in Brazil (Gutberlet, 2009). Notably lacking from the available sources are references to the SE in Bolivia. Another article refers to the role of social capital and cooperatives in creating sustainable livelihoods in Bolivian rural highlands communities, but without specific reference to the Social or Solidarity Economy (Bebbington, 1998). ***Such deficiencies in the literature highlight a need to document the conceptualization, forms, and governance of the SE in Latin America in general and Bolivia specifically in order to create a more comprehensive and comparative picture of the SE globally.***

CED is not a very well utilized term in international development literature, but can act as a lens to analyze various kinds of local and grassroots economic initiatives that take place around the Latin American region. However, CED can provide a conceptual framework for grouping together various kinds of bottom-up, people-centered initiatives in the South (Mozos, 2011). Furthermore, there are conceptual links between CED and the popular participation approaches that are common in Latin America, in terms of their mutual focus on consciousness raising and building agency of previously marginalized peoples such as indigenous populations. ***This dissertation strives to bring CED into a conceptual framework for development in Latin America, specifically linked to indigenous-led development.***

The differences in form and function of the SE between places points to the need for a spatial analysis. The concept of *place* brings a large array of factors into the analysis

⁶ By Global South, I am referring to the countries that are usually classified as developing or underdeveloped, otherwise known as periphery and semi-periphery countries. Geographically, most of these countries are located in the Southern portion of the world, however, not all countries in the South are part of the Global South (for example, Japan is considered part of the Global North). These are countries that were colonized by European countries and continue to be dominated by countries in the Global North.

of the SE, such as recognition of the specific culture, resources and attributes of particular places as the basis for local and regional development (Markey, Halseth, & Manson, 2012). The particular context and assets of each place creates a unique place-based potential for development that can support particular places in developing agency in the face of larger global spatial patterns (Markey et al., 2012). This concept of place-based participation is critical for local spaces that are marginalized by global capital or politics.

Nonetheless, it is relevant to recognize that local spaces are not bounded, closed systems. For example, the theory of cumulative causation identifies the relationship between global economic systems and local development in terms of a series of backward and forward linkages that can create multiplier effects in local areas (Myrdal, 1957). Emphases on globalization can “bury the continuing importance of national and local variation” (Fagan & Heron, 1994, p. 265), while global dynamics can affect local places but are shaped by the people who live there (Massey & Jess, 1995). Thus, local places can be understood best as a space of complex interactions and networks which may be local / global simultaneously (Massey & Jess, 1995). ***This dissertation therefore focuses on three local places in the Bolivian context within a larger national and international context, in order to understand the complexity of dynamics and interactions at play.***

Social and economic exclusion of particular places and among particular groups of people occur due to larger external political, social, and economic structures at the local, regional, national, and international level. The world-system theory demonstrates how the current global economic system is inherently based on depleting some areas—the periphery—for the benefit and increased wealth of other areas—the core (Wallerstein, 1974). Core / periphery areas can refer to the Global North/ Global South at a global scale, but also manifest at national scales (e.g., “have / have not” provinces); regional scales (i.e., heartland/ hinterland); and local scales (i.e., elites / marginalized populations). Geographical flows of information, goods, and capital result in accumulation of wealth in particular spaces while draining other spaces, a process referred to in Marxist economic geography as “accumulation by dispossession” (Harvey, 2003, cited in Spronk & Webber, 2007, p. 32). The causes of exclusion and marginalization can therefore be understood through a spatial analysis of the flows of capital and political power within cities, nations, and across the world as a whole.

The SE and CED are conceptualized as ways to address uneven development or spatial injustice. CED focuses on regenerating or strengthening local economies that have been excluded or undervalued by global or national economic activities. CED recognizes the need to create local economies and businesses that are “rooted to a particular place” (Lionais & Johnstone, 2010, p. 115), creating and multiplying economic assets and opportunities in places that are otherwise marginalized and excluded from mainstream capital circuits. The SE emphasizes the need to incorporate excluded individuals and groups in economic and social benefits of the society through democratic and equitable participation. ***This dissertation seeks to identify if and how SE and CED-type initiatives are improving the social and economic participation of the case study communities.***

Another consideration related to space and place is the potential for coalescence between bottom-up and top-down processes of decision-making and governance. Instead of arguing for the primacy of the micro or of the macro, recent international development thinking argues for the co-construction between top-down and bottom-up actions—that coalescing goals and practice between scales leads to the most effective results in local and regional economic development (Mequanent & Taylor, 2007). The institutional and organizational configurations of the SE and CED in Latin America are important to explore, particularly now that more than one government in that region has identified these frameworks as important to their development, especially for the poor majority. ***This dissertation explores the potential and issues surrounding multi-scaled governance for the SE and CED in Bolivia.***

Finally, CED and the SE may provide useful approaches to the challenges associated with moving past colonialism—whether in countries that are part of the Global South or with indigenous peoples in any part of the world. Previously colonized people and places tend to exhibit the characteristics of depleted / periphery areas that are either excluded from mainstream capital circuits, or that are tied into national / international economic structures in ways that continually foster vulnerable, dependent relations. For example, indigenous economic development tends to have a holistic orientation, with for-profit ventures established to enhance social and cultural goals (Anderson, Honig, & Peredo, 2006a). SE ventures likewise combine social, environmental and economic goals—often referred to as the ‘triple-bottom-line’ (Elkington, 1998). CED emphasizes the

need for local action based on local attributes or assets and goals (Markey, Pierce, Vodden, & Roseland, 2005), similar to the indigenous movements worldwide that focuses on the need for indigenous peoples to be able to define and implement development on their territories in line with their own knowledge, conditions, and objectives. Increased control over the local economy and resilience in the face of world market variability can contribute to indigenous peoples' capacities for self-determination.⁷ Yet hardly any publications exist that specifically link indigenous identity or indigenous self-governance to the SE, beyond a few articles on the topic of 'indigenous entrepreneurship' that describe community-based initiatives organized by and for indigenous people to meet economic, cultural, and social objectives (Peredo & Chrisman, 2006). ***Indeed, this dissertation seeks to conceptualize the intersectionality that exists among the SE, CED, and the identity and self-determination goals of formerly colonized peoples.***⁸

1.2. Why Bolivia?

Bolivia presents a relevant context for exploring the intersections among questions of indigenous-defined development, the SE and CED.

First, Bolivia is the only country in the Americas that claims a majority indigenous population (*Political Database of the Americas*, 2006). Forty-five to sixty percent of the population identifies as indigenous, depending on the source.⁹ The uneven geographical division of indigenous peoples is not in dispute, however, with greater concentrations of people identifying as indigenous congregated in rural highlands areas. Indigenous movements for increasing autonomy, self-determination and socio-political participation have been ongoing in Bolivia since the time of Spanish colonization, but have increased

⁷ For the purposes of this dissertation, the definition of *indigenous* "self-determination" from Article 3 of the UN Declaration on the Rights of Indigenous Peoples (2007) is used: "Indigenous peoples have the right to self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development" (United Nations, 2008, Article 3).

⁸ The term "formerly colonized peoples" includes indigenous peoples all over the world, and the inhabitants of the countries that were part of Western Europe's empire building projects of the 1500s-1950s.

⁹ The Bolivian National Institute of Statistics puts the number at 55.3 percent (Instituto Nacional de Estadística, 2008), while the World Bank cites a figure of 62 percent (World Bank, 2013).

in scope and effectiveness since the 1990s due to successful demands from social movements, legislation, and changes in political power structures.

Second, Bolivia is an excellent example of a ‘periphery’ country in the global political economy, with little participation in global markets beyond export of raw commodities and little say in global decision-making institutions. The country has been an experimental ground for international development models over the last fifty years, including Economic Growth and Modernization (Weston, 1968), Land Reform (Assies, 2006), Poverty Reduction Strategies (Dijkstra, 2010) and Neoliberal Structural Adjustment Policies including Jeffrey Sachs’ well-known financial reforms (Van Djick, 1998; Kofas, 1995; Sachs, 2005). Nonetheless, the country continues to face the highest levels of poverty in the region (World Bank, 2012), and significant structural inequalities between regions; urban and rural areas; and indigenous / non-indigenous peoples (INE, 2001; INE, 2008).

Third, the new 2009 constitution recognizes “social cooperative and community forms of economic organization” as key components of the country’s economic model, and commits to supporting this sector (*Constitución Política del Estado Plurinacional de Bolivia*, 2009, Article 306). A Law for the Reform of Community Agriculture (LCAR), ratified in 2011, provides a partial framework for state support for collective economic approaches in rural areas.

Fourth, Bolivia has been undergoing an experimental process of decentralization of financial resources and decision-making power to the municipal level, first through the Law of Popular Participation (1994) and the Law of Decentralized Administration (1995), and more recently through the Law of Autonomies (2010). About 20 percent of the national budget is devolved to the municipal level by law, for allocation through participatory budgeting with citizen involvement (Kohl, 2003b; Cameron, 2009). The Law of Autonomies has taken the particularly radical step of allowing municipalities to self-declare as ‘indigenous municipalities’ or for any territory to self-declare as an ‘autonomous indigenous territory’ (Law of Decentralization and Autonomies, 2010). In theory, these decentralization laws provide openings for increasing community-based or locally-defined development.

1.3. Problem statement

Bolivia is undergoing significant processes of social and political transformation. Social movements and the current national government are seeking an alternative development model for the country, one that is oriented toward economic equity, environmental sustainability, and social inclusivity. Such objectives are part of larger geopolitical questions of ‘what is development’ and ‘who defines it?’ in a peripheral country like Bolivia.

In particular, the rights of the country’s majority indigenous peoples to self-determination and greater political and economic participation are at the center of these calls for transformation, and are enshrined in a new constitution since 2009. Forms of economic organization that are associated with indigenous people are now also enshrined in the new constitution. However, constitutional rights do not necessarily translate directly into policies, practices, programs, or structural change. Very little documentation currently exists about how the central state understands the concepts of ‘social and community forms of economic organization’ or how they plan to support the emergence and strengthening of such practices and models. There is even less documentation about how particular indigenous communities understand these concepts in relation to their own development goals and existing practices, or the role that various institutional actors (such as civil society organizations and governments) can or should play in this new development framework. Finally, there is limited information about how the SE or municipal autonomy may assist indigenous peoples achieving greater empowerment and self-determination.

1.4. Research questions

This dissertation sets out to address one main question that relates to broader literature on the Social Economy, CED and indigenous strategies for economic development. The three sub-questions address issues and dimensions specific to the Bolivian context.

Main question

- To what extent are Social Economy and CED initiatives supporting shifts of indigenous peoples from spaces of marginalization to places of participation in political, economic, and socio-cultural terms?

Sub-questions

- How is the Social Economy being conceptualized and implemented by various actors in Bolivia, including the central government, civil society organizations, and members of rural indigenous communities?
- What are the main benefits and challenges associated with the Social Economy and CED in rural indigenous communities in the Bolivian highlands?
- How are national and local institutions, particularly the central and municipal governments, effecting the development of the Social Economy and CED initiatives?

1.5. Relevance and contributions to theory

The dissertation makes links between the SE, CED, and indigenous self-determination; shows differing conceptualizations of the SE between the Global North and the Global South; and analyzes the potential for and obstacles to creating coalescence between top-down and bottom-up economic and social development processes. It calls into question the appropriateness of some of the commonly used concepts and methods of CED and SE for the development of indigenous peoples and periphery countries like Bolivia, and how forms of economic organization relate to larger issues of indigenous empowerment and self-determination. The dissertation also contributes to the developing body of literature on *place-based development*, in which competitive advantage is emphasized over the comparative advantage approach of *space-based* economies.

Specifically, the dissertation makes the following contributions to theory:

- The SE and CED approaches can be seen as part of larger movements that seek alternatives to global profit-driven economic models, in both the Global North and

the Global South, that leave particular places and groups of people depleted or excluded. However, the conceptualization and practice of the SE and CED in the South is different from in the North, generating a need to explore these differences to enrich, broaden, and expand the existing literature. Therefore, the broadening of the SE and CED literature to incorporate Southern-generated ideas and action is an important component of the “decolonization” of development and academia. The dissertation elucidates five ways that Social Economy conceptualization is different between North America and Bolivia. In addition, it demonstrates what SE and CED initiatives the Bolivian highlands look like as contribution to the ‘credible experiences’ of these kinds of alternative paths to ‘better lives’.

- The SE and CED can support indigenous self-determination, both conceptually and in practice. Although the methods have changed since the time of first contact, the assumed need for assimilation into dominant socio-economic structures is a recurring theme in relation to indigenous peoples, whether they live in Global South or the Global North. The SE encompasses the need to put collective human and environmental well-being at the centre of economic activities, similar to many indigenous efforts to create economic initiatives that improve the well-being of their peoples. CED approaches challenge dominant paradigms and power structures and seek to increase the participation and agency of communities that are marginalized by history, geography, or global power structures (Markey et al., 2005; Shragge & Toye, 2006). In this way, there is a conceptual link between the decolonization struggles of indigenous peoples and movements to develop alternative modes of economic organization. The dissertation specifically articulates this phenomenon in terms of a shift from spaces of marginalization to places of participation. The research shows specific ways in which SE and CED type initiatives support the strategic needs or interests of indigenous peoples in relation to increased agency over their own territories and forms of development. Further, the research points to evidence of the heterogeneity in indigenous forms of social economy, adding to the growing body of literature on the complexity and heterogeneity of indigenous identities and indigenous economic development models and approaches.

- *Place matters* to the potential, form, and agency of development. Institutions, formal and informal, shape the social and economic relations at various scales—local, regional, national, and international. The culture, history, situation of particular places supports or impedes efforts to foster collective, bottom-up development approaches or to engage with the mainstream economy. These dynamics in turn affect the set of existing and potential assets that converge in particular places at particular times, thereby creating a unique potential specific to place. As a result, thinking about development in terms of local place can help local actors to move beyond the abstract and unwieldy scale of global or national forces. In other words, place-based development is a critical concept for reframing ineffectual *space-based* approaches to economic development. Understanding the particularities of each place can help support development that takes into account multiple dimensions of well-being and is based on the competitive advantage of the particular assets and dynamics in each place. In addition, the research shows how the unique history and institutional context affects the reality and potential for Social Economy and CED in indigenous communities in the Bolivian highlands. The dissertation contributes to the evolving conceptualization of the role of place in development, showing that place-based *development* is a critical and useful concept for reframing traditional *space-based* approaches to economic development.

1.6. Why I undertook this study

I undertook this study after living in and working with Bolivia for more than seven years (at the point of writing this dissertation I have been working with Bolivia for ten years). I came to understand that the country, especially its unique social and political context, provided an ideal case to explore the relationships among indigenous self-determination, the SE, and CED. By studying the particularities of Bolivian experiences, I hoped to contribute to larger theoretical discussions about the nature and means of shifting communities from poverty and marginalization into well-being and participation.

I have been interested in CED since 1994, when I first came across the term and realized that it represented something I had long been seeking. For me, CED explores

ways to re-organize economic relations to benefit people who are marginalized from the mainstream economy—whether by geography, gender, ethnic identity, class or some other factor. CED also represents values of working together—community and cooperation. Such values are at the core of my upbringing in Saskatchewan, a context in which cooperation was necessary to survive the long cold winters in historic times, and where helping your neighbour is necessary to your own survival. In other words, I understand in a very deep and personal ways how working together is the one enduring asset that people have in hard times and hard conditions, and which can bring about positive outcomes.

I brought the ideas of CED with me when I went to live in Bolivia in November 2003. Working for two years with a network of Bolivian non-governmental organizations (NGOs), I discovered professionals and communities who were seeking new ideas and examples for economic development in marginalized communities. They told me that they were seeking examples and models of local development that would bring together social, economic, cultural, and environmental objectives. The challenges and goals seemed similar to places with which I was familiar, where the CED approach had been applied. The network of NGOs expressed interest in learning more about CED, and upon my return to Canada I was able to successfully put together a formal project—"The Bolivian Specialization in CED"—with funding from the Canadian International Development Agency (CIDA). The six year project is a joint initiative of the Centre for Sustainable Community Development (CSCD) at Simon Fraser University (SFU) in Canada, the Asociación de Promoción y Educación (AIPE)—a network of 27 Bolivian NGOs—and the Centre for Graduate Development Studies (CIDES) at the Universidad Mayor San Andres in Bolivia ("Bolivian specialization in CED project," 2013). The project has established practical, locally defined, university-based training in CED in five regions of Bolivia. More than 400 people were trained through this project, from traditional indigenous leadership, non-profit organizations, local government, and community organizations (Bolivian specialization in CED project, 2013).

From 2007-2013, I coordinated this project, travelling regularly to Bolivia to work with the partner institutions and program participants, and learning more about the development goals and challenges of the country. I became especially aware of the particular challenges and achievements of the indigenous peoples toward increased self-determination and political and economic participation. In 2009, the Bolivian government

enshrined social cooperative and community forms of economic organization in the new Constitution, as part of a larger recognition of indigenous peoples' rights and values. At this time, I became interested in investigating how these concepts are understood and how they would be put into practice. With my background in CED, I wished to understand how communities of people are practicing these economic models, what they were trying to accomplish, and what they are accomplishing. At the same time, with my background in planning, I also saw the importance of exploring how local and national government policies and practice are supporting, or not, these kinds of bottom-up initiatives.

1.7. Organisation of the dissertation

The dissertation is organized into eight chapters. The first four chapters establish the objectives and rationale for the research, the theoretical framework, and research methodology. The next three chapters share the results of the field research in Bolivia. The final chapter explores the implications of the research.

Chapter 1. Introduction: This chapter introduces the rationale for the research; the main theoretical areas addressed in the dissertation; the research questions; why Bolivia is a uniquely appropriate and relevant place for investigating the SE and CED in relation to questions of indigenous self-determination; and the arguments of the dissertation.

Chapter 2. Social Economy and CED in the literature: This chapter reviews literature on the SE and CED. It shows that the literature is mainly from North America and European sources, but that the few articles on SE in Latin America show the need to explore their respective form and function in these contexts. It also examines the idea of the Community Economy as a component of the SE in the Bolivian context, identifies the Solidarity Economy as a key term in the Latin American context, situates the SE and CED within larger debates about postdevelopment and alternative development, and outlines the concept of place-based development.

Chapter 3. Moving from marginalization to participation: This chapter explores the development context of Bolivia; showing how the legacies of colonialism, an agro-export and extractivist model of economic development, and the exclusion of indigenous peoples from economic and political participation continue to hamper equitable national

development. It also highlights the main national policy changes over the last 60 years that support a shift toward more participation by indigenous peoples in political, economic, and cultural dimensions of the society.

Chapter 4. Research methodology: This chapter outlines the epistemological approach and justification of the research methodology; and describes the research design including methods and case study selection criteria and process. It concludes with the themes for analysis, derived from the literature reviews developed in Chapters 2 and 3.

Chapter 5. The SE in Bolivia: Conceptualization and Practice: This chapter describes how the national government and civil society organizations are conceptualizing the Social Economy. It then introduces the three case study economic initiatives in the Bolivian highlands, as examples of how rural indigenous communities are organizing to improve their individual and collective well-being. It describes the socio-spatial contexts of the case study communities, including indigenous identities in each place, then moves on to explore the economic initiatives in terms of their organizational structures, distribution of benefits, goals and incorporation or not of traditional Community Economy practices.

Chapter 6. Benefits and challenges of the SE in Bolivia: This chapter explores the impacts of each of the three local SE initiatives through a lens of CED and examines the normative dimensions of the initiatives. It also examines if and how indigenous identity, values, or forms of organization are incorporated into the initiatives. Finally, it analyzes the main benefits and challenges of the initiatives.

Chapter 7: The role of external actors and institutions: This chapter examines the role of external actors and institutions in the supporting or hindering SE initiatives and CED processes in indigenous highlands communities in Bolivia. First, it outlines national government actions such as the implementation of the Law of Autonomies and SE-related laws. Second, it explores the role of the municipal governments and other local actors in the three case study communities, including local branches of the national *campesino* union.

Chapter 8: Conclusions: The concluding chapter summarizes the findings in connection to each of the four research questions. The theoretical implications of these conclusions are identified, followed by areas for future research.

Chapter 2. The Social Economy and CED in the literature

2.1. Aims, scope, and organization of the chapter

The Social Economy (SE), Solidarity Economy (SoIE), and Community Economic Development (CED) are terms used to conceptualize a variety of alternative modes of economic organization and collective action that have emerged in multiple places around the world. Nonetheless, these ideas overlap and intersect in important and meaningful ways in their motivations, principles, and characteristics. In general, all four emerge in response to marginalization or exclusion of particular peoples and geographic areas by markets and governments, and are related to principles of participation, equity, redistribution, and mutual benefit. This chapter compares and contrasts the definitions, roles, and issues surrounding these three terms through an exploration of the available literature.

The literature review purposefully focuses on how these terms emerged in the Global North since the Global South is mainly excluded from the available literature in English (with a few noteworthy exceptions). Additionally, and more importantly, because the field research set out to discover how the conceptualization and practice in Bolivia compares to the framing and experience in the literature that is available in Canada, in order to complement existing English-language literature with experiences from the South.

First, this chapter highlights and explores the main findings of the literature review on the SE and CED. The definitions, characteristics, and role of the SE are explored.

Second, a five-point theoretical framework for CED is outlined, identifying the main principles or processes inherent in this development approach. The relationship—convergence and divergence—between CED and the SE is then analyzed.

Third, CED and the SE are ‘located’ within development theory to characterize their relationship to larger debates about the meaning and modes of development. This section posits the importance of re-positioning the SE and CED based on the experiences and objectives of actors in the Global South, as part of creating a more inclusive

international development literature and practice. Further, it makes an argument for re-imagining postdevelopment as a call for something new, rather than as a call to discard the very idea of socio-economic improvement:

Fourth, the chapter examines the importance of *place* in terms of three intersecting dimensions: how the particularities of each place, based on culture and history, shape the characteristics and modalities of the SE and CED differently; how the particular context and assets of each place create a unique, place-based potential for development; and how place-based development is a critical concept for reframing traditional *space-based* approaches to economic development.

Finally, the chapter asserts that place-based development is best strategized and acted on at the local level, but that this type of local action requires supportive policy at the national level. Issues of top-down versus bottom-up approaches to governance highlight the potential for collaboration between these two arenas of action to engender the most effective and long lasting approaches to place-based development.

2.2. The Social Economy

This section explores the definition and scope of the term *Social Economy* within the available English-language literature. The literature review attempted to explore how the SE is different from the mainstream economy and how it can be defined, and whether or not it has the same characteristics and intentions in all places—in particular, in the Global North and the Global South, and in indigenous or non-indigenous contexts. It further explored how CED and the SolE are conceptualized, and the relationship between these concepts.

2.2.1. Definitions

Despite the increasing usage of the term *Social Economy* by academics, government, and community organizers in Canada, the US and Europe, there are significant debates about the scope and definition of the concept. McMurtry (2010) points out that the Canadian government has only recognized the potential of the SE since 2009, and then only in relation to its potential contribution to employment generation. This is so

despite evidence that the SE contributes at least 7.1% of Canada's total GDP (Quarter, Mook, & Armstrong, 2009)¹⁰ and employs at least 2 million people (Hall, 2005).¹¹ In the European Union, it is estimated that the SE employs 11 million people, accounting for 6% of European employment (European Commission, 2013).

Further underscoring the importance of the SE is the sustained existence of cooperatives, non-profits, and charities as part of the socio-economic landscape of Canada, the US, and Western Europe. In Canada, cooperatives have been around in most part of the country for the last 80 to 100 years.¹² Similar organizations in EU countries can be identified as far back as the mid-1700s, although cooperatives and mutual aid societies mainly proliferated in the mid-1800s (Moulaert & Ailenei, 2005). In general, SE organizations appear in times of economic or social crises (Defourny & Develtere, 1999; Lionais & Johnstone, 2010), in particular among populations and geographic areas that have been excluded or marginalized for political or economic reasons.

Moulaert and Ailenei (2005) argue that the SE emerges and re-emerges in waves, as an alternative to macroeconomic forces, in various forms. During the Industrial Revolution in the 19th century, tremendous social upheaval occurred as Europe

¹⁰ The 7% of GDP figure is based only on the contribution of non-profits to the Canadian economy (Hall, 2005).

¹¹ No comprehensive study of the size and scope of the Social Economy in Canada has been conducted, although calculations have been undertaken for some provinces individually by the Canadian Social Economy Hub regional sub-groups. The National Survey of Nonprofit and Voluntary Organizations (NSNVO) conducted in 2004 revealed that there are more than 161,000 charities and nongovernmental organizations in Canada; that together they contribute almost 8% of the total GDP; and that about two million people are employed by these kinds of organizations (Hall, 2005). Adding in the cooperative sector, another type of organization considered to be part of the Social Economy, the scope of the sector is evident. The number of cooperatives in Canada is about 9000, including credit unions, and they employ more than 150,000 people (Canadian Cooperative Association, 2008). Further, these cooperatives serve 18 million members; have over 370 billion in assets; and 33% of Canadians are members of a cooperative or credit union (Canadian Cooperative Association, 2008). Using these figures, the Social Economy employs about 13% of the employed Canadian population. The tourism sector employs just 4%, by way of comparison (Conference Board of Canada, 2007).

¹² In the early French colonies in Canada, the Catholic Church provided social services such as medical care, education, and charity to the poor. This religion-based model also followed in English Canada through the 19th Century. However, by the turn of the 20th century, many forms of self-help emerged in English and French Canada in the form of mutuals, credit unions, agricultural (producer) co-ops, and retail co-ops. Indeed, the very legal structures of Canada and Europe did not allow for non-state or non-Church organizations until the mid-1800s (Defourny & Develtere, 1999).

transformed from a mainly agricultural and artisanal society to one based on mechanized industry. Cities, like London, became places of poverty, squalor, and exploitation, and many existing social networks and mutual aid practices broke down through rural-urban migration and the demise of guilds. In response, people began to organize new forms of mutual aid:

The 19th century was, indeed, a formative century for the modern Social Economy, characterised by an outburst of ideas, concepts, experiences, cooperative, associative or mutual aid practices, institutional and utopian initiatives (Moulaert & Ailenei, 2005, p. 2039).

The *first* wave emerged from mutual support organizations in Western Europe in the 1840s and 1850s, as craftspeople became wage labourers. The contemporary form of cooperatives emerged during this period when a small store was set up by workers in Rochdale, England in 1844 as a way to collectively purchase cheaper food (International Cooperative Alliance, 2005). This group established the Rochdale Principles, which later became the principles adopted and adapted for use by cooperatives around the world (International Cooperative Alliance, 2005). The *second* wave is associated with producer (agricultural) and savings cooperatives organized by small-scale farmers in the 1870s-1890s, again in Europe, and this type of cooperative spread to Canada in the early part of the 20th century. The *third* wave generated consumption cooperatives for food and housing during the Depression in the 1930s and 1940s (Moulaert & Ailenei, 2005). Recent literature suggests that a *fourth* wave has been emerging since the 1990s in Canada and Europe (Laville, Lévesque, & Mendell, 2006), in response to negative effects of global and national restructuring such as the shift away from the 'welfare state' (Lionais & Johnstone, 2010). This 'renewal' is centered around civil society organizations (or NGOs) that are shifting into spaces previously occupied by the state (i.e., social services) and the private sector (e.g., housing, food) (Laville et al., 2006). In addition, the fourth wave incorporates a larger emphasis on small/local businesses than previous waves, while retaining the cooperative model (Lionais & Johnstone, 2010). The concept and model of Social Enterprise has become more prominent in this fourth wave.

These four waves, then, shifted the Social Economy spatially from the UK to France and Germany and then to North America; temporally from the mid-19th to early 20th century, and then emerging anew in the late 20th century and early 21st century; and

sectorally, from consumption, to agricultural production, to financial activities, and finally into services.

The current renewed growth of the SE in Canada and Europe can be seen as part of a general shift of civil society into political and economic spaces previously filled by the state or the market (Laville et al., 2006). Two driving forces have been identified in the renewed SE in Europe and Canada. As seen in Table 1, the SE is emerges as both a reactive response (responding to urgent social needs) and as a proactive response (responding to new opportunities).

Table 1: Categories of Social Economy organizations and enterprises

Needs and opportunities / Relationship to the market	Social economy (responding to urgent social needs)	Social economy (responding to new opportunities)
Predominantly non-market-based Social Economy (social development)	Examples: Shelters for the homeless Collective kitchens Reintegration of school dropouts	Examples: Child-care Perinatal centres Eco-museums
Predominantly market-based Social Economy (economic development)	Examples: Training businesses Readaptation centres Soup kitchens Community-based investment funds Development funds	Examples: Social enterprises Labour cooperatives Natural food cooperatives Organic farming Recycling

Source: Laville et al. 2006, p. 16

Within the proactive spectrum, renewed interest in the SE can be understood as part of a search for alternatives to neoliberal capitalism; a shared experience among many people of losing local control to global forces; and inequities of resource accumulation and distribution at regional, national, and international scales. Pearce (2009) writes that the SE strives to achieve a common good with minimal damage to people and the planet. For Mendell (2009), the SE seeks to put “people and work over capital in the distribution of surplus and revenues” (p. 186). Lionais and Johnstone (2010) describe the SE as “any number of economic and quasi-economic activities that are pursued with the intent to create social benefits rather than to maximize profits” and specifically identify it as a

phenomenon that responds to the “negative socio-economic impacts of neoliberal capitalism” (p. 105). SE literature also refers to ideas like democratic control, empowerment, and a focus on the local or community level (Defourny & Develtere, 1999; McMurtry, 2010; Pearce, 2009).

The literature reveals that a single, agree-upon definition of the term SE remains elusive. One approach is to describe the SE as a *Third Sector* that bridges the gaps between the private and public sectors (Defourny & Develtere, 1999; Mendell, 2009; Pearce, 2009). The Third Sector includes economic activities that are normally uncounted in much of conventional economics, such as volunteerism and community work. It also encompasses the work of not-for-profit organizations, and for-profit enterprises that have a social purpose.

However, this definition is criticized for being a “negative conception” that provides “no clear idea of what this activity consists of except that it is neither state nor market” (McMurtry, 2010, pp. 6-7). Further, it conflates charitable organizations that seek to ‘help the poor’ with enterprises or initiatives started by a group with the intention of ‘helping themselves’ (McMurtry, 2010), which are in fact very different tendencies, with distinct processes and outcomes. The Third Sector definition assumes a distinct separation between public and private sectors, but in fact, these sectors are interwoven, especially when it comes to governance and shaping of social, political, and economic space. A social enterprise may be registered as a private enterprise but receive government funding for a portion of its activities. The boundaries around the SE space are blurry. Finally, and perhaps most problematically, the Third Sector definition focuses on the idea that the SE ‘fills gaps’ left by state and market. In this conceptualization, it is a reactive phenomenon that addresses only immediate social needs. Such a definition contradicts many initiatives that are seeking to transform society in strategic ways.

Another approach is to characterize the SE by the *types of organizations* it encompasses, such as cooperatives, associations, non-profit organizations, social enterprises, and community-based enterprises (Amin et al., 2002; Gibson, 2009; Quarter et al., 2009). All can be understood as entities that may engage in market activities but which are not motivated exclusively by profit. The problem with this approach, however, is that these organizations and enterprises do not necessarily share common values and

objectives. On one end of the spectrum are non-profits that are purely charitable in nature, and on the other end there are cooperatives that operate with an exclusively market orientation.

Pearce (2009) addresses some of these critiques by defining the SE as a third system that operates on a continuum between the first (private) system and the second (public) system, as shown in Figure 1. The advantage of Pearce’s approach is that it recognizes that the boundaries between social enterprise and voluntary organizations are blurry. It further acknowledges that “organizations can, and indeed do, change over time and shift position on the continuum” (Pearce, 2009, p. 28).

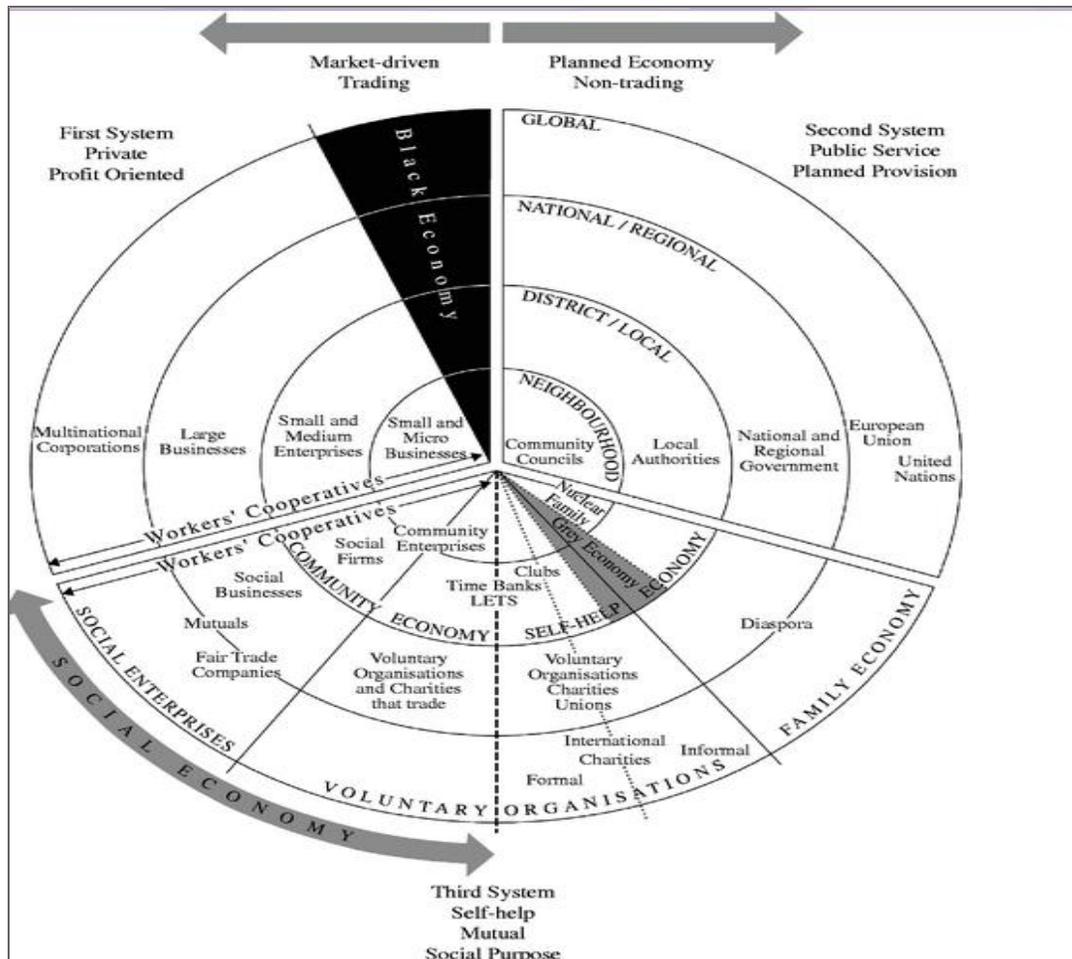


Figure 1: Three systems of the economy
 Source: Pearce, 2009, p. 65. Reproduced with permission of Zed Books.

Recently, a third approach has emerged to defining the social economy, focused around its normative dimensions. Pearce (2009) states that society needs a way to identify if a social enterprise is *bonafide*—i.e., truly serving a social purpose—and that ethical principles are therefore necessary to identify SE organizations and enterprises. McMurtry (2010) agrees that it is critical to explore the values, ethics, and objectives involved in an organization or enterprise, not just its legal structure. The Chantier de L'Économie Sociale, an umbrella organization for the SE in Quebec, has adopted a normative approach, stating that the SE operates “to serve its members or community rather than to simply make profit... [and] to defend the primacy of people and work over capital in the distribution of surplus and revenues” (Mendell, 2009, p. 186).

Reciprocity is another normative principle often associated with the SE (Restakis, 2006). Reciprocity derives from social relationships (social capital), but it has an inherently economic dimension insofar as it is about the exchange of something of value (e.g. labour) with the expectation of receiving a comparable something of value. It is a non-monetary form of exchange.

2.2.2. Role of the Social Economy

An important dimension in characterising the SE is to identify its role or function in society. The SE literature in Canada and Europe shows a wide range of activities with significant contributions to local and national economies and social well-being. The impacts of these activities can be seen in: neighbourhood or town revitalization; delivery of childcare or housing services to marginalized populations; protection of resources or environmental ‘goods’; and generation of income or employment that is more socially inclusive than the mainstream private sector.

Pearce (2009) refers to the SE’s role in supporting a more level playing field, as a means to “redress a perceived imbalance of opportunity and promote ‘another way’ of doing things” (p. 30). This refers to a role of redistribution of societal ‘goods’ or ‘benefits’, similar to the role of the public sector—i.e., an emphasis on equality of opportunities and benefits. However, the ‘third sector’ goes further by functioning as a way to increase mutual benefits or engage in reciprocity among a group of people (Lewis, 2006). The focus of the SE is on collective or mutual benefit, a win-win approach in contrast to the

win-lose model of the private sector. Restakis (2006) identifies the respective emphases of the public / private / third spheres, with the SE functioning based on *reciprocity*; the private sector focused on *efficiency*; and the public sector *on equality* (p. 10-11). These emphases in turn refer to how value is exchanged or distributed by each of the three arenas of the economy.

Another way of describing this mutually beneficial function of the SE is in terms of *collective approaches*. McMurtry (2010) states that collectively created problems, such as poverty, require collective solutions. He further argues that the SE requires us to confront that how we organize the economy is a societal choice, not a given. The SE provides a way for people to create forms of economic organization that meet their needs, rather than to simply live within existing structures:

the objective of the SE is to provide services to its members or to a wider community, and not serve as a tool in the service of capital investment... the generation of a surplus is therefore a means to providing a service [or filling a need, not the main driving force behind the economic activity(Defourny & Develtere, 1999, p. 16).

Again, the role of meeting the needs of a *group* of people is stressed—and implicit is the idea that the existing state or market activities are not fulfilling these needs.

There is a further dimension to many characterisations of the SE, which refers to *democratic and participatory principles* (Defourny & Develtere, 1999; Mendell, 2009). SE organizations and enterprises answer to their members or the community they serve, rather than to a group of shareholders. The difference is in responding to the needs and goals of humans rather than of capital accumulation, but also in having a principle of equality in decision-making. Whereas shareholders vote according the amount of their investment, cooperatives and non-profit organizations subscribe to a one member-one vote principle. At the same time, SE organizations tend to reach sections of the population who do not normally have a say in economic decisions, due to a lack of access to capital for investment.

The basis of the SE is social capital, as opposed to financial capital. Recent studies show that there are different kinds of social capital, and these have implications

for development and economic transformation (Bridge, Murtagh, & O'Neill, 2009; Kay, 2006; Woolcock, 1998). Three forms of social capital are:

- *'Bonding'* social capital—occurs within a group and is a kind of glue between people (e.g., family, ethnic group)
- *'Bridging'* social capital—allows people to reach out to other groups, people, and institutions beyond their community, a kind of 'social oil'
- *'Linking'* social capital—connections between people with differing levels of power or social status (between classes)

(Bridge et al., 2009)

There is also a *self-help* dimension to the SE. Rather than waiting for the state to solve social problems or capitulating to an economic model that does not meet many social needs, a group of people decides to take action together to resolve a social problem. For example, Pearce (2009) describes community enterprises as organizations that seek “to tackle social issues by engaging in trade and which were owned and controlled by the community or the constituency they sought to benefit” (p. 29).

Another motivation for the creation of SE organizations and enterprises is *local revitalization* in neighbourhoods or rural areas that are marginalized from global circuits of capital (Anglin, 2010). In Canada, the US, and the UK this territorially based area of action has been referred to as Community Economic Development (CED)—a form of collective action for community well-being that will be discussed in detail in section 2.3. The SE is therefore conceptually linked with ideas of empowerment and bottom-up strategies for improving collective well-being.

A debate is visible in the literature about whether or not the SE is an alternative to capitalism, or a way of creating a more equitable distribution of resources within the capitalist system. The pragmatic approach sees the SE as filling in the gaps left by the state and the market (Lionais & Johnstone, 2010); it creates safety nets that maintain and support the current structures through mild reform. By contrast, the utopian approach sees the SE as an “alternative economy” that acts as a “separate (often non-market) circuit of capital” (Lionais & Johnstone, 2010, p. 105). From this perspective, the SE operates

as a way to increase the economic power of marginalized peoples and regions by strengthening non-market economic activities and wealth creation.¹³

2.2.3. Social vs. Solidarity Economy

In France, Spain, Quebec and Latin America, the term “Solidarity Economy” is more commonly used than the term “Social Economy” (Fonteneau, Neamtam, Wanyama, Pereira Morais, & de Poorter, 2010; Moulaert & Ailenei, 2005; Tremblay, 2009). The two terms have overlapping boundaries, but are not identical.

The SoIE refers to economic activities based on *reciprocity* and *mutual benefit* (Fonteneau et al., 2010)—collective initiatives undertaken by a group of people with common interests. As such, the conceptualization of the SoIE tends to emphasize mutual support between small producers, workers, and people working in the informal (popular) sector.

This kind of conceptualization is visible in Ecuador’s Law on the Popular and SoIE:

For the purposes of this Law, the Popular and Solidarity Economy are understood as a form of economic organization in which its members, individually or collectively, organize and develop processes of production, exchange, commercialization, financing, and consumption of goods and services, to satisfy needs and generate income, based on relations of solidarity cooperation and reciprocity, privileging employment and people as the subject and ends of its activity, oriented toward ‘living well’ and harmony with nature, over surplus, profit, and the accumulation of capital (Maya, 2011).

The Law goes on to state that the SoIE encompasses community organizations, associations, and cooperatives—highlighting the grouping of people together to create some kind of mutual benefit. NGOs and social enterprises that are organized externally to the community of mutual interest are not included in this conceptualization. For Gutberlet (2009) and others, the SoIE is an alternative to capitalism; a form of economic organization involving reciprocity and cooperation to “overcome poverty and exclusion” (p. 738). As such, the Social Economy is understood as a gap-filling strategy within the

¹³ Examples of non-market activities could include improved local food production, whereas local wealth creation might involve collective production or marketing to achieve economies of scale.

prevailing economic system, whereas the SoIE is oriented to transformation of economic and social relations (Gutberlet, 2009).

In a sense, the SoIE can be understood as a sub-section of the SE, encompassing some but not all of the kinds of organizations and enterprises that are included under the SE umbrella. However, it is also evident that the SoIE does not fit entirely under this umbrella due to its more radical objectives and tendency toward a more socialist / anti-capitalist mode of economic organization. As such, it may be more useful to understand the SoIE as overlapping withm and being part of, rather than subordinate to the SE, as shown in Figure 2.

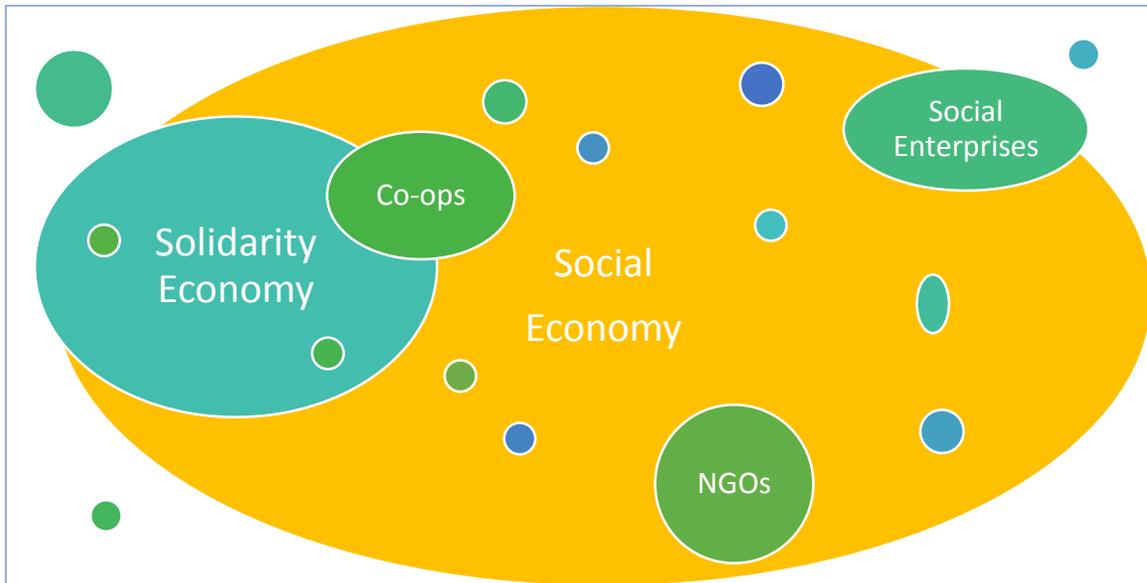


Figure 2: Relationship of the SoIE and SE

Note: Original figure by the author

Due to the linkages and overlaps between the conception and practice of the SE and the SoIE, many international organizations and events are adopting the term Social Solidarity Economy (SSE) to encompass the full range of socially oriented economic organization emerging around the world.

2.2.4. Community Economic Development (CED)

Community Economic Development (CED) refers to participatory processes in which a group of people collaborate to develop economic activities that meet social needs and environmental well-being.

An early definition of CED incorporates the multiple goals of this approach:

CED is a process by which communities can initiate and generate their own solutions to their common economic problems and thereby build long-term community capacity and foster the integration of economic, social, and environmental objectives (McRobie & Ross, 1987, p. 1).

This definition incorporates concepts of bottom-up initiatives; the importance of building on or building up local peoples' capabilities; and triple-bottom-line objectives (economic, social, and environmental).

CED enjoyed a period of theoretical treatment and documentation, mainly in the 1990s (Boothroyd & Davis, 1993; Filion, 1998; Galaway & Hudson, 1994; Lewis, 2004). In recent years, attention has turned to the SSE as a reconceptualized form of alternative economic organization (McMurtry, 2010). Yet CED remains meaningful and worthy of further analysis, as it continues to be an organizing concept for many organizations and communities.¹⁴ In other words, CED exists in practice. I would further argue that the CED approach can be understood as a way of implementing or strengthening the SSE at a local scale—a local, cooperative set of actions that foster SSE type initiatives, organizations, and businesses.

CED arose in practice in the 1980s in North America and the United Kingdom (UK), in response to the perceived failures of globalized, neoliberal capitalism:

In North America, community economic development (CED) took on the attributes of a movement during the economic recession of 1981-82. The growing CED movement reflects continuing disenchantment with the welfare state and its ability to maintain full employment and rising standards of living.... (Boothroyd & Davis, 1993, p. 230).

¹⁴ See, for example, the Canadian Community Economic Development Network—CCEDNet, the Centre for Community Renewal, Concordia University's Graduate Diploma in CED, and Simon Fraser University's Bolivian Specialization in CED Project.

CED can therefore be understood as a series of responses to free trade agreements, privatization, and other neoliberal policies to ‘de-regulate’ the market (Shragge & Toye, 2006). CED emerged as more than a reactive phenomenon, but also as a proactive response by environmentalists, social justice activists, and development thinkers seeking ways of (re)organizing social and economic relations for greater social equity and environmental sustainability (Hernandez, 2010).

The focus of CED is on the local scale—the scale to which people can most directly relate to as the site of their daily lives and livelihoods (Friedmann, 1992). CED strategies tend to focus on strengthening the ‘local’ or ‘community’ economy through a variety of strategies such as: increasing the circulation of capital in a local area to derive multiplier effects; local import substitution; and starting up new economic initiatives (Loxley, 2007). Such strategies in turn emphasize using local knowledge and resources (Markey, Halseth, & Manson, 2008), otherwise known as community assets or capitals. CED emerged as a strategy to re-shape local places that were being forgotten, marginalized, or negatively impacted by global economic and political restructuring in the post-Fordist period, particularly in the 1980s and 1990s.

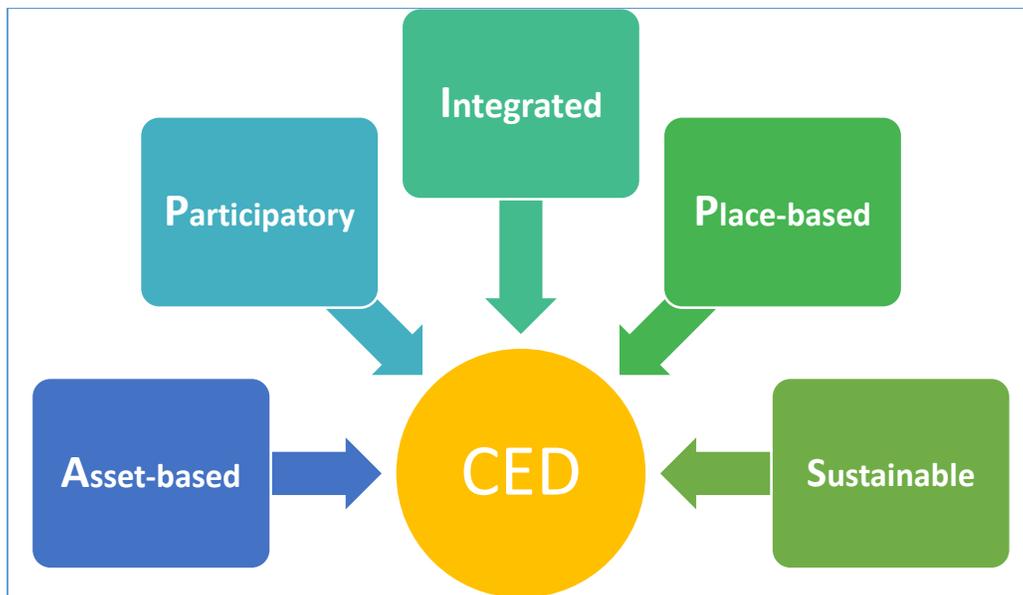


Figure 3: APIS lens for analysing CED

Note: Original figure by the author

From the literature, I have compiled five main characteristics of the CED approach which together are posited as a lens for analysis within this dissertation. I posit that CED is Asset-Based, Participatory, Integrated, Place-based, and Sustainable, as shown in Figure 3. I have named this the ‘APIPS lens’ using the first letter of each characteristic. As such, CED is:

- **Asset-based:** Standard approaches to economic development utilize a “needs-based” approach—that is, looking at what the community or area lacks (Mathie & Cunningham, 2003). CED, by contrast, starts from recognizing the existing and potential assets of a community (Markey et al., 2005). Strategies and initiatives can then be developed that build on these assets, consistent with the priorities of local people. CED mobilizes local resources—human, environmental, organizational—to create local benefit. One of the important assets, particularly in a rural or aboriginal community, may be social capital—the relationships of trust and reciprocity between people. Kay (2006) defines social capital as “something that exists between individuals and organizations. This ‘something’ emerges from connections between entities and is further developed through trust, mutual understanding, and reciprocal actions based on shared norms and values” (Kay, 2006, p. 162). CED literature has highlighted social capital as the basis for collective action; as a resource that can be mobilized to strengthen environmental, economic, or physical assets, creating a flow of benefits in a particular area (Fey, Bregendahl, & Flora, 2006; Wallis, Crocker, & Schechter, 1998; Woolcock, 1998).
- **Participatory:** The concept of community participation in development can be seen as a continuum, from contributing labour to a project at one end, to controlling all aspects of the project at the other end (Brohman, 1996). CED practice falls into the latter end of the continuum, trying to engage people as directly as possible in all stages of a project, from planning to implementation. This principle can be linked to a belief in the inherent right of people to participate in decisions that affect them (Moser, 1993) and to evidence that development is more sustainable and effective if the ‘beneficiaries’ participate (Conyers, 1986). Either way, there is significant evidence that for an initiative to fit the local context and the needs and goals of local peoples, it is necessary to develop plans and initiatives through participatory processes. Participation also refers to the collective-orientation of the initiatives—

they belong collectively to the people who start them and work on them, and the benefits are distributed equally based on purchased shares or labour contributions.

- **Integrated:** The well-being of a community is derived from the interplay of several interdependent factors, including its economic, social, and environmental dimensions (Galaway & Hudson, 1994; Roseland, 2012). Whereas conventional economics emphasizes only financial return on investment, CED recognizes that “the problems facing communities—unemployment, poverty, job loss, environmental degradation and loss of community control—need to be addressed in a holistic ... way” (CCEDNet). CED actions include multiple integrated objectives and strategies that address environmental and human well-being.
- **Place-based:** Economic activities and social relations happen in and between specific places, which have a particular set of characteristics and need particular responses. The focus of CED is on the local scale—the space that people can most directly relate to as the site of their daily lives and livelihoods (Friedmann, 1992). CED strategies tend to focus on strengthening the ‘local’ or ‘community’ economy through a variety of strategies such as increasing circulation and multiplier effects, local import substitution, and introducing new economic initiatives. Such strategies in turn emphasize using local knowledge and resources (Markey et al., 2008). This approach contrasts with the neoliberal globalization approach in which capital moves where it can make the most profit, with no regard for the impact on particular people and places. The ‘place’ focus also refers to the appropriateness of the initiative for the local context—including the need for appropriate technology and fit with the particularities of its physical, social, and cultural geography.
- **Sustainable:** The composition of the economy is important in CED practice. Ecological economics posits that the modern economy treats natural capital (e.g., forests) as income items instead of capital, liquidating them for fast profit (Schumacher, 1973). Sustainable economies require that we consume the ‘interest’ on this capital—using up only the parts that are renewable—rather than using up the capital itself. As Loxley (2007) writes, “what is being produced and how it is being produced are important because they are highly relevant to one’s quality of life and to sustainability” (p.12). Sustainability can also refer to creating

economic activities that can be sustained over long periods and that create stable employment, therefore contributing to the long-term viability of a particular place.

Although the term CED is not in common use in Latin America, a corollary exists with the kinds of grassroots movements for alternative and participatory development that were emerging in Latin America at the same time. In the 1980s in Latin America, neoliberal policies imposed by supra-national organizations like the International Monetary Fund (IMF) were negatively impacting people and places in Latin America, just as policies under the same ideology were impacting North America. The IMF employed Structural Adjustment Policies (SAPs) as part of debt-restructuring packages, calling for Latin American governments to cut back on public services like education and health care, while simultaneously opening up their borders to foreign investment and trade. The results of these policies have been well documented in terms of: rising social inequalities; environmental damage; and destabilization of local economies, especially in rural areas. In response, grassroots organizations and NGOs began to implement community-based participatory development strategies to counteract the negative effects of such policies. Many of these strategies involve principles and strategies in common with the CED approach, such as participation, empowerment, fit with local needs and goals, and consciousness-raising. For example, popular education, with its emphasis on consciousness-raising and grassroots action for social transformation, is conceptually connected to the CED approach.

2.2.5. Relationship between CED and the SE

CED can be understood as an approach to implementing or strengthening SE institutions, organizations, and/ or businesses at a local scale. However, the two terms are not entirely synonymous. Table 2 shows my analysis of the main points of convergence and divergence between CED and SE.

Table 2: Convergence and Divergence between CED and SE

	CED	SE
Points of convergence	Integrate social, economic, and environmental issues or goals Founded on values of democratic decision-making, reciprocity, or mutual benefit	

	Seek to meet needs of groups that are marginalized or excluded by mainstream economic and political activities Seek to create social transformation or collective well-being (people before profits)	
Points of divergence	Combine action in a number of domains or areas of action	Focus on a particular area of action, such as selling a product or service
	Seek to create a flow of resources and benefits within a particular community	Social enterprises and community enterprises tend to be locally owned, creating increased resources for the local area or people
	Focus on a geographically based community	Community may be people with common interests rather than territorially based
	Start from the existing strengths or assets of a community, striving to use them in an integrated and strategic way	Start from a particular need or opportunity to create social benefits through enterprise development
	Draw on, link to external resources (knowledge, finances, etc.), bridging / linking capital	Create a bridge between marginalized peoples and social finance and markets

Original table by the author, compiled from elements identified by Lewis (2004), Mendell (2009) and Pearce (2009).

Conceptually, both the SE and CED refer to a range of economic activities that are oriented to addressing social needs and environmental issues which are ignored or exacerbated by public and private sector institutions. SE and CED activities are founded on values of democratic decision-making, reciprocity and/or mutual benefit. And both tend to meet the needs of groups who have been marginalized or excluded from the main circuits of capital or whose culture, environment or well-being have been damaged by mainstream economic or political decisions and structures.

However, one of the key distinctions between the two is that CED has “a primary focus on a revitalization in a particular territory,” while SE focuses on enterprise development to achieve social goals (Lewis, 2004, p. 7). CED is an approach used in neighbourhoods or towns that have been caught in a dynamic of “creative destruction”—defined as a withdrawal of external investment that results in a downward spiral of negative multipliers: shutting down of economic activities; degeneration of the quality of housing and infrastructure; and outflow of residents (Schumpeter, 1975). These places may need the development of SE organizations, institutions, and businesses, but CED can be an approach to developing such entities. In addition, CED emphasizes action by a group of people acting collectively in a bottom-up fashion. By contrast, the SE incorporates both

individual entrepreneurship and collective action. Therefore, while CED can be seen as a localized form of the SE, it does also tend to incorporate more focus on an integrated set of actions by a local group of people with personal interest in the place they are seeking to improve.

2.2.6. Community Economy

Community Economy is a lesser-known term in SSE literature, but it is an important concept to explore in the Bolivian context, given the emphasis in its Constitution on recognizing and supporting this form of economic organization alongside the SE. Two articles by Bolivian academics identify 'Community Economy' as traditional, rural, subsistence economic activities, employing mainly familial labour (Albarracin, 2001; Nuñez del Prado, 2009). As such, its character is similar to any pre-capitalist, local scale economy. However, in the Bolivian context, the Community Economy is specifically understood to involve indigenous 'traditional' practices such as reciprocity, community ownership of land, and non-monetary trade between lowland and highland communities (Albarracin, 2001). These characteristics specifically link the Community Economy to indigenous forms of organizing that pre-date Spanish colonization. The Community Economy has a particular contextual significance in Bolivia, and an understanding of the SE in this context necessarily entails an exploration of these contextual particularities.

2.3. 'Locating' CED and the SSE in development theory

This section outlines the trajectory of development theory from modernization and growth; to basic needs; to participatory development; to poststructuralism and postdevelopment. It then attempts to position CED and SE within these larger debates.

The criticisms of mainstream, Western-derived international development models are well known. Modernization theory from the 1950s and early 1960s, such as Rostow's Stages of Economic Growth, gave way to an understanding that economic growth does not inherently result in poverty alleviation, equality, or improvement in human development indicators for the majority of the population (Peet & Hartwick, 2009). Dependency theorists emerged in the late 1960s and 1970s, demonstrating that the global economic structure is fundamentally skewed in favour of European and US economic interests and

that inequity is built into the system (Cardoso & Faletto, 1979; Wallerstein, 1974). The 'world-system theory' outlines how the international capitalist system creates core countries and regions that siphon surplus from the natural and human resources of periphery countries and regions (Wallerstein, 1974). As a result, the wealth of some places depends on the poverty of other places, dismantling the possibilities for equal development among all countries and regions. These kinds of analyzes continue to inform critiques of the capitalist economic model to the present day, highlighting its inherent contradictions and fundamental basis in exploitation of nature and labour for the benefit of the few.

Proponents of participatory development emerged in the 1980s and 1990s, emphasizing the need for 'beneficiaries' of development projects to be active participants in defining and implementing the kind of development that best suits their context and goals (Mohan, 2008; Peet & Hartwick, 2009). Participatory development theory evolved mainly along two lines: a mainstream approach linked to an emphasis on the efficiency of devolving authority to local levels, and an empowerment approach that focused on the potential for participation of marginalized peoples in local spaces.

The mainstream approach to participatory development developed in parallel to the 'Basic Needs' focus of multilateral organizations such as the World Bank. Basic Needs, as is implicit in the name, emphasized a development approach that attempts to meet basic needs for food, shelter, education and health. The World Bank promoted decentralization policies based on the idea that devolving funding and decision-making from national to municipal levels creates a more efficient use of funds for meeting basic needs (Slater, 1989).¹⁵

The empowerment-oriented approach to participatory development saw bottom-up participation as a means to engage marginalized, disempowered populations in decision-making (Friedmann, 1992). This can be seen as part of a larger critique of 'expert' and 'top-down' driven development, positing that local people know their needs

¹⁵ The Basic Needs approach evolved into the currently used Human Development approach—the basis for the annual score on the relative development of the countries of the world, i.e., the Human Development Index and Human Development Report (Jolly, Emmerij, & Weiss, 2009).

and context best; and therefore are best situated to create effective and meaningful change. The focus of participatory development is on redistribution of power through changes in who makes decisions:

"[Citizen Participation] is the **redistribution of power** that **enables the have-not citizens**, presently excluded from the political and economic processes, to be deliberately included in the future. It is the strategy by which the have-nots join in determining how information is shared, goals and policies are set, resources are allocated in short, it is the means by which they can induce significant social reform which enables them to share in the benefits of society" (Arnstein, 1969, pp. 1-2) (emphasis added).

Community participation can be seen as a continuum, from contributing labour to a project at one end, to controlling all aspects of the project at the other end (Oakley, 1991). However, there are debates about whether participation is a means to achieve a development goal (Conyers, 1986) or an end in itself because people have the right to participate in decisions that affect them (Moser, 1989).

Escobar (1992) countered the Marxist position that grassroots social movements are based in capitalist class relations. Rather, he writes, they are localized, pluralistic movements arising from specific daily conflicts related to material and social needs (Escobar, 1992). Social movements thus do not necessarily seek to obtain power at the state level but rather to have more voice in the decisions that affect their daily lives.

Along with the emphasis on participation came an emphasis on local places as the arena for development interventions, and a focus on building capacity among local actors to become agents of development. Mequanent and Taylor (2007), for example, argue that development policies by government and private sector can only achieve their goals if "there is local capacity to support development" (p. 24). From the 1990s to present-day, development NGOs entered into a period of emphasis on training programs for improved local governance, local leadership, and local skills development—responding to the idea of the need for bottom-up decision-making and empowerment for social and economic transformation.

Participatory development is a component of a larger area of theory that is referred to as Alternative Development. Proponents seek to respond to the critiques of mainstream

and traditional development, but retain a fundamental belief in the need to engage in development—i.e., to improve the situation of poor and marginalized populations. By contrast, the postdevelopment and poststructuralist theorists, emerging in the 1980s and into the 1990s, deconstructed the very idea of “development”.

Escobar, one of the most well-known postdevelopment theorists from Latin America, contends that development discourse operates primarily to support the hegemonic power of the so-called “First World” (Escobar, 1997). By grouping all non-European countries under the identifier of “Third World”, a discourse of the superior European is juxtaposed with the poor, underdeveloped and therefore inferior non-European:

The ...effects that development discourse achieved is the key to its success as a *hegemonic form of representation*: the construction of the poor and underdeveloped as a universal, pre-constituted subjects, based on the privilege of the representers; the *exercise of power of the First World made possible by this discursive homogenization* (which entails the erasure of the complexity and diversity of Third World peoples, so that a squatter in Mexico City, a Nepalese peasant, and a Tuareg nomad become equivalent to each other as poor and underdeveloped) and the colonization and domination of the cultural and human ecologies and economies of the Third World (Escobar, 1997, p. 92).

Postdevelopment emerges as a critique of the very foundations of “development”—its “epistemological categories, hierarchies and assumptions” (Sidaway, 2007, p. 346). Under such deconstruction, the concepts and modes of “development” become discernible as tools that continue European control and power; as a way to incorporate colonial views of race and progress into contemporary thought, practice, and policy; as a justification for neocolonialism (Escobar, 1997; Sidaway, 2007). Postdevelopment theory is therefore closely connected to postcolonialism, which focuses on countries and peoples who experienced colonialism and whose identities, discourses, narratives, and political and economic structures and spaces have been and continue to be shaped by this phenomenon. Postcolonialism goes beyond analyzing the economic and political structures formed through colonialism to acknowledge the “assumptions, stereotypes, and ways of knowing” that continue today in the dominant, colonially based discourses (Sharpe, 2009, p. 7) Postcolonialism thus advocates for colonized peoples to find and express their own narratives, knowledges, and alternatives.

Postcolonialism brings together the struggles of people in periphery regions with the struggles of indigenous peoples worldwide—both groups seeking to free themselves from the inequitable power structures and racism that continue as legacies from European colonialism. Both postcolonialism and postdevelopment challenge dominant paradigms and power structures, and seek to increase the participation and agency of communities marginalized by history, geography, colonialism, or global economic dynamics. Like citizens of periphery countries, indigenous peoples are often involved as well in resistance to assimilation and in attempts to find spaces for their own self-defined ‘development’.¹⁶

Although the methods have changed since the time of first contact, the assumed need for assimilation into dominant socio-economic structures is a recurring theme in relation to indigenous peoples, whether they live in Global South or the Global North. Governments and development agencies continue with colonial assumptions that indigenous forms of knowledge and organization are inferior and that outside intervention is needed to solve what outsiders define as their problems. A Canadian Indigenous Studies scholar wonders, for example, “if economic development is just the latest solution to the ‘Indian problem’: instead of needing civilizing, Aboriginals now need development” (Newhouse, 2006, p. 160).

Historically, the European colonizer contended that indigenous peoples needed to be civilized or modernized; today, the development institutions posit their need to be assimilated in a liberal, global, and market economy. Alfred and Corntassel (2005) argue that economic globalization is in fact nothing more than a continuation and expansion of the colonial model. They call instead for indigenous communities to “regenerate themselves to resist the effects of the contemporary colonial assault and renew politically and culturally” (Alfred & Corntassel, 2005, p. 599). Such discourse links dependency theory from the Global South with indigenous social movements globally—with both emphasizing a need for people at the grassroots to find ways to gain more control over their political, socio-cultural, and economic lives. Returning to postdevelopment theory, it serves to historicize and contextualize the emergence of development as a concept and discourse, showing its roots in colonialism and European domination. However, it

¹⁶ Note: I am aware that the citizens of periphery countries may identify as indigenous, but I am attempting to link together indigenous people in the North and South, as well as all citizens of formerly colonized countries, within a common framing of postcolonialism.

neglects to propose a way forward to address issues of inequality, uneven development, and exclusion of particular peoples in economic and political terms. Poststructuralism, in particular, deconstructed the very concept of 'development' to the point where, according to Ziai (2009), the word "'development' functions as an empty signifier that can be filled with almost any content" (p. 198).

In the last decade or so, some scholars have revisited the state of development theory in an attempt to understand if something new can or is emerging from all of this deconstruction—if the proverbial Phoenix can rise from the ashes as something transformed and appropriate. For example, in more recent works, Escobar wonders if there is a space beyond development paradigms. He finds value in the idea of "reclaiming and pluralizing modernity" through development strategies that are "non-hegemonic", and argues that these kinds of strategies are visible in the "everyday lives and struggles of concrete groups of people" (Escobar, 2000, p. 13).

Gibson-Graham (2005) argue that 'postdevelopment' should be reframed as a call for something new, rather than a call to discard the very idea of socio-economic improvement:

The postdevelopment agenda is not, as we see it, anti-development. The challenge of postdevelopment is not to give up on development, nor to see all development practice—past, present and future, in wealthy and poor countries—as tainted, failed, retrograde; as though there were something necessarily problematic and destructive about deliberate attempts to increase social wellbeing through economic intervention; as though there were a space of purity beyond or outside development that we could access through renunciation. The challenge is to imagine and practice development differently (Gibson-Graham, 2005, p. 6).

The task ahead for researchers and practitioners is to document and make visible "alternatives to the hegemonic experience" in order to enlarge "the field of credible experiences" for development-oriented interventions (Gibson-Graham, 2005, p. 5).

Curry (2003) likewise issues a call to move 'beyond postdevelopment.' He argues that in an indigenous setting, there are possibilities to combine traditional economic practices (such as reciprocity / gift exchange) with participation in the market economy. However, such actions require a place-based approach that recognizes and incorporates the particular socio-cultural context and processes of particular places (Curry, 2003). In

other words, economic development in an indigenous setting must be place-based, appropriate, and participatory—thus taking on a postmodernist approach of multiplicity of paths, and deconstruction of existing power relations by involving each local group of people in the design and implementation of their own economic initiatives.

I agree that the concept of “postdevelopment” can be reclaimed or superseded (in line with Curry and Gibson-Graham), opening space for (re)envisioning what development can be. This renewed concept of development emphasizes multiple paths, multiple visions, and unpredictable outcomes. It recognizes the critiques of postdevelopment and poststructuralism, while retaining a belief in the need to address real-world inequities.

By framing my work within these parameters, I am echoing Radcliffe (2005) in her call to move beyond the “overgeneralization and romanticism” of postdevelopment toward a development geography that recognizes the realities of uneven development while incorporating a postcolonial conceptual framing of these realities (Radcliffe, 2005).

A reframing of postdevelopment involves a larger project of reconstructing identities, of ‘taking back’ development from the Western scientific / technocratic model, and instead valuing local knowledge, objectives, and practices—a multiplicity of ‘developments’. Reframing from a postdevelopment perspective involves a dismantling of previous discourse and a valuing of multiple and equally valid forms of knowledge. It further involves an emphasis on the particularities and potential in each place, and in the relationship of that place to local, regional, national, and international phenomena.

Veltmeyer (2007) analyzes the current state of development theory and posits that a worldwide intellectual movement is emerging in favour of a new development paradigm.

It is difficult to define precisely the nature of this new paradigm, given its diverse formulations. It is possible, nevertheless, to identify within these diverse formulations of the new paradigm common principles: “development” in this new intellectual context is expected to be more *equitable and socially inclusive, human in scale and form, participatory and empowering, and sustainable in terms of both the environment and livelihoods*. And, at the level of agency, development should be initiated *from within* (civil society) *and below* (the grassroots) rather than from the outside (overseas development assistance) and above (the government or state) (Veltmeyer, 2007, p. 5).

This dissertation contends that CED and the SSE are part of this larger search for something new, something that incorporates:

- the use of market mechanisms to build assets, but rejects the profit-only focus of global capitalism;
- the needs and assets of particular people and particular places;
- the inclusion of marginalized people in decision-making about issues that affect their daily lives;
- the social and economic well-being on a collective rather than an individual basis; and
- the analysis of power relations based on cultural, historical and socio-economic context.

As such, both the SSE and CED can be understood as a body of theory and practice within the larger call for something ‘beyond postdevelopment’—a way forward to improve socio-economic well-being that takes into account the critiques of mainstream, neo-colonial models of development.

As a geographer, however, I find that a critical issue is lacking even in postdevelopment and postcolonial critiques of development is the issue of *place*. The next section outlines the vital importance of including place in any analysis of development as a concept or in practice.

2.4. The importance of place

Economic activities and social relations happen in and between specific places, which have a particular set of characteristics and need particular responses. This section shows that the SSE is no exception, with significant variation in its history, motivations, and models between Anglophone (Anglo-Saxon) and Francophone contexts. Further, a review of literature on the SSE in Asian, African, and Latin American context shows that academics have thus far failed to explore the differences and similarities in the conception and practice of SSE among the Global North and the Global South, to any significant

degree. It also highlights the concept of place-based development as an important component of a re-envisioned approach to socio-economic models in local places.

2.4.1. Anglophone contexts

The term Social Economy is only in use recently in English speaking Canada and the UK. The terms *voluntary sector* and *nonprofit sector* have been used historically used to describe nonprofits, foundations, and charities—but no link made with cooperatives or social enterprises:

Anglo-Saxon literature devotes little attention to the role of market actors, such as cooperatives whereas continental Europe has described cooperatives as part of the Social Economy or Third Sector for more than a century (Moulaert & Ailenei, 2005, p. 2043).¹⁷

Market-oriented economic activity with social goals has been referred to as CED in English-speaking places since the mid-1980s, but only as the ‘Social Economy’ in the last four or five years. This has created a situation in which the SE is active but under-conceptualized (McMurtry, 2010).

In the United States (US), the SE is often conflated with Social Enterprise (Restakis, 2006; Tremblay, 2009). As such, the US approach fits in a more individualistic, capitalist-oriented context. Indeed, in this context, the social enterprise is often developed by an individual, a so-called ‘social entrepreneur,’ rather than by a group of people. Another focus in the US has been on ‘inner-city revitalization’; working to extend the benefits of the mainstream economy into neighbourhoods and ‘ethnic enclaves’ that are marginalized and lacking in capital investment, an approach that resonates with the Canadian CED approach (and is often called community economic development or community revitalization).

¹⁷ I use the terms Anglophone, English-speaking, and Anglo-Saxon more or less interchangeably in this section to refer to countries in the Global North in which English and Anglo-Saxon culture and language predominate—i.e., the UK, English-speaking Canada, and the USA.

2.4.2. *Francophone contexts*

Quebec is recognized as being more advanced than English-speaking Canada in both conceptualizing the SSE and in supporting the expansion of the SSE (Lewis, 2006; McMurtry, 2010; Mendell, 2009). An extensive study shows how civil society and the Quebec government collaborated to support growth and expansion of cooperatives between 1980 and 2010, whereas Saskatchewan cooperatives weakened and failed during the same period due to changing global markets combined with a non-supportive provincial government (Diamantopoulos, 2011). Mendell (2009) maintains that the SSE in Quebec has achieved the level of a true alternative to the mainstream economy, rather than simply a gap-filling measure—with strong collaboration between the state (the provincial government) and civil society (nonprofits, labour unions, cooperatives, community organizations).

The strength of the Quebec SE is due in part to the long history of mutual / solidarity-based organizations in the landscape of France, brought to Quebec in the early days of colonization, and then reinforced in the late 1990s through “a rich dialogue with France, on theoretical approaches as well as from comparisons of experiences” as part of the France-Quebec Social and Solidarity Economy Project (Laville et al., 2006). Another factor relates to the collective identity in Quebec as francophones surrounded by anglophones spaces, as collective identity tends to foster the social capital necessary for cooperative activities.

A widely adopted definition of the SE in Quebec avoids the taxonomic problem of identifying the SE by what it is **not**; rather, the definition focuses on its normative dimensions:

The Social Economy refers to the set of activities and organizations stemming from **collective entrepreneurship**, organized around the following principles and operating rules: the purpose of a Social Economy enterprise is to **service its members or the community** rather than to simply make a profit. It operates at arm’s length from the state. It promotes a **democratic management process**. It defends the **primacy of people and work over capital in the distribution of surplus and revenues**. It bases its activities on the principles of **participation and collective empowerment** (Mendell, 2009, p. p.186), bold font added for emphasis and clarity

As mentioned earlier, in Francophone contexts (Quebec and France) the term *Économie Solidaire* (Solidarity Economy) is used more frequently than *Économie Sociale* (Social Economy).

2.4.3. Latin American contexts

As described earlier, there is a dearth of sources on the SSE in Latin America in the English language literature. A general review of literature conducted by Tremblay (2009) cites ten articles on Latin America, one article related to Africa, and one about Asia. My literature review revealed two articles documenting cases of the SSE in Brazil (Gutberlet, 2009; Lechat, 2009); one in Peru (Angulo, 2007); one in Ecuador (Scarlato, 2013); two on Argentina (Palomino, Beynat, Garro, & Giacomuzzi, 2010; Vaillancourt, 2009) and two articles that refer to the SSE in Latin America in general (Defourny & Develtere, 1999; Tremblay, 2009).

Notably lacking are references to the SSE in Bolivia. One article refers to social capital as a basis for generating sustainable livelihoods in the Bolivian rural highlands, but does not connect to the idea of Social or Solidarity Economy per se (Bebbington, 1998). The only source literature on the SSE in Bolivia that I could find was a report called “Bolivian case studies: The public policy of SE and dialogue between public officials and civil society.”¹⁸ The document is in Spanish, although the abstract is translated into French and English. This document outlines the major public policies implemented by the Bolivian national government in relation to the SSE, and some areas collaboration between the State and a national network of Solidarity Economy organizations. This paper refers to the *Economía Social Solidaria* (Social Solidarity Economy), incorporating both terms.

The existing literature reveals that the term *Economía Solidaria* (Solidarity Economy) is more widely used in Latin America than the term *Economía Social* (Social Economy). Since ‘solidarity economy’ is not used in English-speaking countries but is used in Quebec/France and Spain/Latin America, this phenomenon points to particularities rooted in shared cultural or colonial histories. The academic literature

¹⁸ This report was prepared by Marco Velasco Olivarez with the Movement for the Solidarity Economy and Fair Trade (MESyCJ) of Bolivia for FIESS (International Forum on the Social and Solidarity Economy) held in Montreal in October 2011.

review is backed by an internet search on civil society organizations using the terms ‘Social Economy’ or ‘Solidarity Economy’. Civil society organizations set up to specifically promote the *Solidarity Economy* exist in Brazil, Peru, Chile, Mexico, Colombia, and Bolivia.¹⁹ The Ecuadorean Constitution (2008) recognizes the “Popular and *Solidarity Economy*”. The Andean Parliament—a regional governing body made up of representatives from the five Andean countries including Bolivia—also uses “*Solidarity Economy*” in their documents and events on Andean integration (Comunidad Andina, 2011).

The term SoIE is used differently between the French and Spanish speaking countries:

In Latin America, this term is used to cover a broad range of initiatives. In other regions (France and Québec), this term has been promoted to make the distinction between established components of the social economy (i.e. cooperatives, associations, mutual benefit societies) and newer solidarity mechanisms and organizations (Fonteneau et al., 2010, p. 11).

SoIE organizations from Latin America are articulated with SE organizations in North America and the UK (such as those in the Intercontinental Network for the Promotion of Social and Solidarity Economy—RIPESS), showing a common acknowledgement internationally that the terms are linked and somewhat interchangeable. Furthermore, there are some Latin American countries that primarily use the term *Economía Social*, such as Argentina. Interestingly, the 2009 Bolivian Constitution recognizes the Social Cooperative Economy and the Community Economy, but does not mention the SoIE (*Constitución Política del Estado Plurinacional de Bolivia*, 2009).

2.4.4. Indigenous contexts

The SSE and CED also have particular manifestations, characteristics, and issues in indigenous contexts, whether located in the Global North or Global South. As

¹⁹ BOLIVIA: Movimiento de Economía Solidaria y Comercio Justo de Bolivia; BRASIL: Fórum Brasileiro de Economía Solidaria (FBES); CHILE: Red de Economía Solidaria de Santiago; COLOMBIA: Consejo Nacional de Economía Solidaria (CONES) del Valle del Cauca; Mesa Nacional de Trabajo Cooperativo y Solidario; MEXICO: Espacio ECOSOL México; Comercio Justo México; PERU: Grupo Red de Economía Solidaria del Perú (GRESPE) Source: RIPESS, 2013, <http://www.ripest.org/about-us/?lang=en#mc>

indigenous peoples strive to carve out territories and spaces of autonomy, themes of political and cultural self-determination tend to dominate the discussion. Their focuses tend to be on achieving self-governance (political autonomy) and reclaiming cultural values and practices (cultural self-determination). The question of economics, that is, how to organize to provide for collective and individual material needs within these autonomous territories, tends to be left aside. Nonetheless, forms of economic organization are critical to support the larger political and cultural objectives. An indigenous territory must have a way to support the well-being of its people in all senses—and the issue of how to create economic activities that meet their needs without reproducing colonial power structures, and economic activities that somehow link to cultural values and the well-being of the land—is of critical importance.

Indigenous economic development literature shows three forms of economic organization internationally, organized by indigenous governments or their corollary: Aboriginal economic development corporations in Canada; tribal businesses in the USA and community-based enterprises in Latin America (Hernandez, 2011). All three can be considered as SSE-type initiatives, due to their nature as collectively owned enterprises that seek common benefit and multiple bottom lines. One particular characteristic of social enterprises in an indigenous context is an explicit or implicit goal of cultural survival and / or regeneration (Anderson, et al., 2006a); this is specific to their struggles as colonized peoples. Indigenous forms of collective enterprises overlap with the generalized understanding of SSE enterprises—but with a particularity of added emphasis on cultural survival.

Another way to understand the ‘indigenous’ element of an economic initiative is through a lens of ‘indigenous entrepreneurship.’ This concept emerged out of literature on the differences that culture and history make on how entrepreneurship manifests in various contexts. A broad definition of indigenous entrepreneurship encompasses private, public and, non-profit activities:

Indigenous entrepreneurship is the creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people. The organisations thus created can pertain to either the private, public or non-profit sectors. The desired and achieved benefits of venturing can range from the narrow view of economic profit

for a single individual to the broad view of multiple, social and economic advantages for entire communities (Hindle & Lansdowne, 2005, p. 9).

However, one important component of the definition, that makes these ventures different from other entrepreneurial initiatives, is that the ventures are created and managed *by indigenous people for the benefit of indigenous people*. This is the real point of differentiation between an indigenous initiative and one that is not.

Shifting to CED, the focus on local knowledge as part of human capital fits well with indigenous calls for a recognition of traditional knowledge. Indeed, it can be argued that “CED offers a place for important tradition, culture and wisdom while incorporating selected successful mainstream development approaches” (Wuttunee, 2006, p. 139).

Wuttunee (2006) stresses the critical importance of incorporating traditional aboriginal values into CED principles, to create a fusion or hybrid model. She recognizes the difficulty in listing ‘all’ aboriginal values, and further recognizes that they are not static but rather change over time. Nonetheless, there are certain core values, such as respect for Mother Earth, that are fundamental to who aboriginal people are. Particular cultural values, heritage, and practices would necessarily be different between places—but the point is that indigenous CED is likely to have more emphasis on culture and cultural capital than in other places.

Roseland (2012) recognizes the importance of cultural capital such as arts, language, and ethnic heritage in indigenous spaces. In particular, cultural capital can be a rich basis for competitive advantage and innovative initiatives such as sustainable agriculture and cultural tourism, and generally to recognize and protect the uniqueness of a place and its peoples.

Peredo and Chrisman (2006) hypothesize that Community-Based Enterprises (CBEs) in indigenous contexts are aimed at profit “only insofar as profits are instrumentally effective in achieving other community goals” (p. 28). CBEs thus arise “as a mechanism to boost the sustainability and health of the community through economic means” (Peredo & Chrisman, 2006, p. 28). Indigenous-organized enterprises can often be considered as CED initiatives, due to such characteristics of originating with a group of people in a particular territory who are collectively organizing to address their common socio-

economic well-being. Participation, a key characteristic of CED, is deeply linked to goals of self-determination for indigenous peoples—especially around the goal of gaining local control of the vision, goals and form of economic development on their territories. In indigenous contexts, the principle of integration expands to incorporate culture, cultural survival, or regeneration alongside economic, social and/or environmental goals. Asset-based development connects with a need to create economic activities that resonate with the existing human, social, and cultural capital in indigenous spaces.

Newhouse (2006) also discusses the particularities of indigenous socio-economic development. On one hand, aboriginal people look around them and feel that they do not have what the rest of society has, and they want some of it—they want some form of economic development. But they want it to be different; they want it to be done in their own way. He sees CED as a promising basis for engaging in development that incorporates the knowledge of local people, rather than outside experts, for aboriginal people to be active subjects in defining their relationship to the ‘modern’ and the world ‘outside’.

[CED] offers a means to resist complete assimilation into the Western world—and to create “an economy that affirms Aboriginal cultural identities; for societies based on traditional ideas, values and customs, for sustainable development, and for equitable distribution of wealth” (Newhouse, 2006, p. 167).

In summary, issues of indigenous self-determination, indigenous identity, and indigenous-specific goals around generating community well-being can be conceptually linked to SSE and CED approaches.

2.4.5. *Place as a site of multiple interactions*

The differences in conceptualization and practice between places, as discussed in the previous section, point to importance of *place* in understanding of the nature and role of the SSE and CED. Gibson-Graham (2005) argue that various kinds of economies or economic development depend on place and who is involved, as part of a larger body of feminist critiques of conventional economic geography. Quarter and Mook (2010) theorize that the SSE needs to be understood interactively, in terms of its place within larger social and economic structures—i.e., its embeddedness in particular contexts and systems.

At this juncture, it seems relevant to examine the concept of *place*. Place refers to the specific characteristics of an area of land or territory (a *space*)—characteristics that are social, economic, cultural, physical, and historical in nature. “Place” is created by humans through their values and activities and relationships over time and in interaction with the existing natural and man-made environment around them. However, each place may be experienced differently by different people, depending on their own history in that place or their socio-economic class or gender. Massey (1991) points out, for example, that women experience urban spaces differently than men—a place that feels safe to a man may feel unsafe for a woman. As such, while each place may have its own character, it does not have a “seamless, coherent identity, a single sense of place which everyone shares” (Massey, 1991, p. 6).

Moreover, places change over time—they are not fixed entities or experiences. Places shaped and re-shaped through multiple relationships, forces, and dynamics that are local, regional, and global in nature. From this perspective, it is possible to envisage a multifaceted and progressive conception of place. As such, global forces do not entail a homogenization of culture—rather, global and local dynamics combine and interact to create new unique places around the world. Each ‘place’ becomes a “particular, unique, point of intersection” (Massey, 1991, p.7). Understanding places as shaped by internal and external forces is empowering. It means that local actors can play a role in shaping their response to larger forces, and carve out a niche in the larger system that is specific to their resources, needs, and priorities.

It is important to note that *place* does not inherently conflate with “local”. The land or territory that humans identify as a place could be the size of a university campus, or a neighbourhood; a municipality or a province; or even a country or region that crosses national borders. In the Massey sense, *place* does not have closed boundaries—rather, it is a meeting place of multiply intersecting social, economic, political relations that create the specific characteristics of the place in each specific moment. Thus, ‘place’ can occur at a national, regional, or local level. At the same time, national and cultural contexts will influence the particular manifestations and conceptualizations of the SSE in local settings, as this dissertation set out to explore and understand.

2.4.6. Place-based development

Place-based development posits a new way of thinking—one that focuses on the need to shift from *space-based* to *place-based* economic development at local and regional scales:

Past approaches to rural development have tended to focus on the 'space economy,' implying attention to comparative advantages, natural-resource endowments, and development strategies that sought mainly to overcome the cost of distance. [By contrast], a place-based approach to rural development means that the unique attributes and assets of individual communities and regions now underscore their attractiveness for particular and contextually appropriate types of activities and investments (Halseth, Markey, & Bruce, 2010, p. 1).

Rural areas have tended to be placed in two roles or functions in relation to the global, space-based economy. First, these areas act as a source of resources that are extracted or harvested and moved to urban or core areas for processing and distribution. Thus, the majority of the value of the products is added in another location, and wealth is accumulated in the non-rural areas. A small portion of the product value goes to the worker or farmer at the source, but the majority of value is added farther down the commodity chain, in a different location. As the resource declines in availability or the cost of extracting the resource becomes uncompetitive relative to other places or sources, the area is abandoned by global capital. Another way of describing this process is that some local places become depleted through global patterns of uneven development which allow capital and wealth to accumulate in some places at the expense of others (Harvey, 2003).

Second, if the rural area does not have a competitive resource or commodity in the first place (i.e., no initial advantage), it may be marginalized from the larger economy more or less completely. In such a case, the residents of that region largely survive through subsistence economies or by migrating to places where more capital is located (such as urban areas). Many developing countries exhibit this spatial pattern.

This is the space-based economy, in which places compete with each other to attract investment based on *comparative advantage*, and many places lose in the process. This process is often called the "race to the bottom", in which governments offer incentives such as lower and lower wages and lack of environmental regulations in order to compete for investment at a global scale (Rudra, 2008). By contrast, the place-based economy

focuses on “finding and supporting opportunities across the whole economy”, meaning that opportunities can be identified in economic, environmental, cultural, or community characteristics (Markey et al., 2012, p. 13).

Place-based enterprises can act as a mechanism for place-based development. As poverty and exclusion tend to be concentrated in particular areas, social enterprises that focus on creating wealth in a particular place can be called place-based businesses (Lionais & Johnstone, 2010).

Place-based businesses operate along a different logic. Rather than evaluating location in terms of competitive advantage, such as access to transportation or low-cost labour, place-based businesses are deliberately rooted to a particular place and can therefore function as a “viable tool for creating wealth” in areas that suffer from depletion and exclusion (Lionais & Johnstone, 2010, p. 114). Lionais and Johnstone (2010) identify 11 mechanisms that “ground business in place”, shown in Table 3.

Table 3: Mechanisms that ground business in place

Grounding Mechanism	Description
Labour	Location of labour; spatial division of labour
Management	Location of management functions (headquarters, etc.)
Markets	Location of markets served
Capital assets	Location of built infrastructure
Supply	Supply chain groundings
Knowledge	Geographies of knowledge development
Investment and financing sources	Location of financial partners
Ownership	Location of the owners of the business
Governance structures	Location of control
Profit distribution	Location of profit distribution and accumulation

Source: Lionais and Johnstone, 2010, p. 115

The spatial impacts of a business can be determined by analyzing the spatial division of these components—the location of labour supply, markets, production inputs, headquarters, etc. The more of these mechanisms that are located in a particular place, the more benefits and profit accrue to that place. Therefore, a place-based business would purposefully choose to “anchor one or more of these grounding mechanisms to the locality” (Lionais & Johnstone, 2010, p. 116)—for example, by choosing only to employ local people (labour); or by having the majority of the owners live in that locality (ownership); or through distribution of profits to owners / workers who live in the local area (profit distribution); or by serving only local markets (markets). I use these mechanisms to analyze to what degree the Bolivian cases function as place-based enterprises.

Place-based development links to CED and SE in three key ways. First, cooperatives, associations, and even social enterprises are structuring models that allow for purposeful grounding in local places. Cooperatives and producer associations are generally made up of members from a particular region (a province, part of a metropolitan area, a group of rural towns, etc.). A social enterprise is usually established to address social or environmental concerns in a particular place—it becomes place-based due to the social factors located in that place.

Second, the space of CED action is in particular local places, and seeks to increase benefits (economic, social) in that place. It is inherently territorial as it seeks to increase the circulation of capital in a particular community through import substitution, rooting more components of a commodity chain in the community, or increasing the number of local people employed in a particular activity. CED efforts can contribute to place-making and development in place. Indigenous development initiatives are place-based in another way, owing to the importance of land to their societies:

Traditional lands are the 'place' of the nation and are inseparable from the people, their culture, and their identity as a nation (Anderson, Dana, & Dana, 2006, p. 46).

Thus, control over traditional territories can be an important foundation for improving the social and economic situation of Aboriginal peoples, and the goal of staying on traditional territories provides fertile soil for establishing place-based enterprises. Further, indigenous-run place-based enterprises are often started to create more viability for continuing to live in traditional territories—as a way to revitalize a depleted or marginalized space.

Third, place-based development, the SSE, and CED all strive to achieve results in multiple dimensions. Table 4 shows the similarities between the four bottom lines of place-based development and the triple bottom lines of SSE and CED.

Table 4: Comparison of Place-based, SSE and CED Bottom Lines

Bottom lines / Approach	Economic	Community / Social	Environmental	Cultural
Place-based development	✓	Community	✓	✓
Social / Solidarity Economy	✓	Social	✓	
Community Economic Development	✓	Community	✓	✓ in indigenous contexts

Fourth, place-based development and CED rely on bottom-up processes in which local people identify, strengthen, and mobilize local assets. Both seek, in many ways, to address uneven distribution caused by global commodity chains, and uneven distribution of political power and decision-making. These development approaches thereby respond to critiques of top-down, externally driven development models.

As described above, modernization and economic growth theory resulted in large-scale, top-down projects in developing countries in the 1960s and 1970s, financed by international organizations like the World Bank and IMF. Also known as the “big-push approach”, the top-down development model involved large loan investments in infrastructure and industrialization projects intended to lift the former colonies out of poverty and underdevelopment (Mequanent & Taylor, 2007, p. 10). The infamous result was highly indebted, poor countries that continued to exhibit economic stagnation at a macro scale and impoverishment for the large majority of the population.

Participatory approaches and local capacity-building emerged as a direct response to the failures associated with large-scale, top-down projects. By the late 1980s, academics and development practitioners began to advocate the decentralization of central state power to local levels to support participatory development. Decentralized governance was advocated as a means to improving democratic structures and processes, since “local self-government brings power close to the people” (Slater, 2003, p. 615). That is to say, it is easier to create spaces of participation in local or municipal government than at the regional or national level. For Friedmann (1992), it is at this local level that a “redefinition of roles between state and civil society and civil society and the corporate economy” can take place; a space for the emergence of new forms of political participation (p.31).

Interestingly, the World Bank also began to call on governments to decentralize to local levels, but their focus was not on local empowerment through participatory decision-making—rather, they saw decentralization from national to municipal levels as a way to offset responsibilities and costs for central governments and a means to increase administrative efficiency in the use of state resources (Rondinelli, McCullough, & Johnson, 1989).

These “pushes” for local, participatory approaches to development have been criticized along three principal lines:

- That the **local is too small a scale** to create enough change—that ultimately there is insufficient power at this level to influence economic and political structures

created at international, transnational, and national scales (Giles Mohan & Stokke, 2000)

- That participation is based on a **romanticized idea of ‘community’ or ‘local’** in which all community members have the same interests and the same level of power—ignoring gender, economic or other inequalities that affect who participates and whose interests are served in locally-made decisions (Cleaver, 2001). Societal power relations are reproduced at a local level (Schonwalder, 1997).
- That participatory approaches have a tendency to **over-emphasize** the ability or interests of people in engaging in **collective action**, and to under-theorize the power of individuals or individual agency (Cleaver, 2001)

2.4.7. Collaborative governance

More recently, the literature calls for a collaborative governance model as the most effective way to achieve effective, relevant, and meaningful results in development. Collaborative governance involves governmental and non-state actors such as NGOs and business working together in planning and implementing actions and policy (Murdoch and Adams, 1998, cited in Markey et al., 2012).

Collaborative governance is suitable for place-based development (Markey et al., 2012) by encompassing perspectives, information, and resources from actors who are familiar with the specific needs and potential of a particular place. Collaboration allows for multiple forms of resources to be combined with a common purpose:

Within the rural territory, the partnership approach inherent in governance is particularly necessary because no single stakeholder has the resources or jurisdiction to tack the multidimensional problems of rural development (Markey et al., 2012, p. 226)

Mequanent and Taylor (2007) assert that: top-down or “big push” development (such as building large-scale physical and financial capital) does not work without local capacity-building (strengthening social and human capital), and that local projects will face insurmountable obstacles to achieving a meaningful scale of impact if larger economic and political structures do not align or support their efforts. In this dissertation, I take these two propositions as assumptions, justifying the research focus on both local scales and national policy environments to understand the myriad of factors associated with the

nature and impacts of local development initiatives. I further take as an assumption that collaborative governance is a way to address the problems associated with “top down” or “big push” development by mobilizing the knowledge and capacities of particular places and multiple actors into development processes.

However, I also acknowledge that there are multiple challenges to achieving an ideal in collaborative governance. As stated by Markey et al. (2012), the “transaction costs” of such processes may create “an environment of uncertainty that undermines the social and economic investment foundations of rural places” (Markey et al., 2012, p. 227). Participatory planning can be time-consuming and also unproductive if not managed effectively, or if participants do not have the capacity for strategic or cooperative visions. Second, local governments must be willing to share responsibility and work in a cooperative, horizontal fashion with other local stakeholders (Markey et al., 2012). Collaboration is always a challenge, but rural areas and ethnically-based communities tend to have stronger social capital or connectedness between peoples than urban areas, providing a stronger base for collaboration through a sense of shared interests and place-based belonging (Hernandez, 2010).

2.5. Conclusion

From the literature review, I developed the framework for the SE and CED for the field research phase.

The literature showed the range of definitions and debates about the nature and role of the SE, as well as the importance of context and place in influencing such dynamics. In order to be open to the ways that the SE / SSE emerges and is articulated in Bolivia, I decided to leave the concept as broad as possible, such that it can include pragmatic and utopian approaches; solidarity-based initiatives and market-oriented initiatives; and a broad range of types of organizations and enterprises as shown in the Pearce model (see Figure 1). The rationale for this expansive definition of the Social Economy was to allow the data and voices in Bolivia to speak for themselves without pre-judgement.

As such, I use both a typology method to identify SE or SSE type organizations (i.e., cooperatives, social enterprises, NGOs) as well as normative values associated with the SE/SSE according to the literature (such as equal distribution of benefits and cooperation). Informed by the literature review, I entered into the field research understanding that the concept of Community Economy was also relevant to understand in relation to the conceptualization and manifestation of the SE and SSE in Bolivia, due to the emphasis on this term in the 2009 Constitution. Further, it was evident that Latin America has unique forms of association that must be taken into account; in other words that the SE might not manifest as cooperatives, but as something else.).

As discussed in this chapter, I consider CED as a process or approach to strengthening the SE at local levels. The case studies were therefore analyzed through the APIPS lens (see Figure 3) to determine CED characteristics or dimensions, and to understand if this lens is a useful way to assess the impacts and issues associated with local economic initiatives in this highlands, indigenous context.

Section 3.5 explains in detail the particular criteria and indicators used to analyze the manifestations of the SE/SSE in Bolivia, and how the principles of CED were used to analyze the benefits and challenges of the case study initiatives.

Chapter 3. Research design and methods

3.1. Aims, scope, and organization of the chapter

This chapter provides an overview of the research approach for this dissertation, the specific methods used to collect the information on the local economic initiatives in three indigenous highland and highland valley communities, and the broader policy and institutional context for the SSE and CED in Bolivia.

The three case study initiatives are:

- The Chañojagua Agricultural Co-op (in the municipality of Viacha)
- The Churicana Textile Association (in the municipality of Tarabuco)
- The Tomina Oregano Co-op (in the municipality of Tomina)

The chapter begins by outlining the epistemological and methodological approach of the investigation, showing the strengths and appropriateness of this approach for the type of information sought. The selection criteria and process for selecting the case studies is outlined next, followed by a detailed account of the specific methods of data collection. Research methods included a literature review in Canada and multifaceted field research conducted in Bolivia. The chapter finishes with a summary of the sources and method identified for gathering each type of required information.

3.2. Research methodology

3.2.1. Approach

In general terms, the research for this dissertation is qualitative in nature, employing multiple methods to generate an in-depth understanding of particular set of phenomena in a particular place at the current time.

At a deeper level, the research attempted to follow an “interpretive approach”. Unlike positivist research, there is no set model for interpretive research (Rowlands, 2005). However, there are characteristics that are common to this strategy:

- Interpretive research uses inductive reasoning (Rowlands, 2005), starting from the specific and moving to the general. In other words, it attempts to first observe phenomena and then analyze that information in terms of themes or patterns, to develop theory or generalizations (Trochim, 2006). As such, it does not attempt to test a hypothesis; rather, it seeks to understand a particular situation or context (Rowlands, 2005) in as much depth and breadth as possible.
- Interpretive research acknowledges the “intimate role between the researcher and what is being explored” (Rowlands, 2005, p. 81), thereby recognizing that the presence of the researcher affects the situation, and that methodologies and the ability to engage in research are shaped by situational contexts.
- Interpretive research comes from a “social constructivist” epistemology, recognizing that knowledge and inquiry are value-bound and socially constructed. “The basic tenet of constructivism is that reality is social, culturally, and historically constructed. Therefore, research attempts to understand social phenomena from a context-specific perspective” (Bloomberg & Volpe, 2008).

Exploring experiences from a “context specific-perspective” is appropriate for human geography research, with its emphasis on the way that environments shape people and people shape our environments. By ‘environments’, I mean the physical, social, cultural, and economic contexts in which people live their lives. These environments exist around us as multiple and overlapping scales from local to regional to national to international.

The research recognizes the importance of exploring different scales that affect, influence, and shape the specific contexts being explored. I chose to explore the national and local scales in this study, to gain a better understanding of how national policies, conceptualizations, and institutional arrangements affected the local situations. The bulk of the research focused on the local scale, however, as the space in which most people experience the intersections of local, national, and other scales on a daily basis.

The case study approach was chosen to provide a ‘snapshot view’ of each economic initiative, while also showing some of the motivations, actors, and events that led to the current situation. Case studies are a well-recognized method of research in the social sciences, in particular as a way to “generate theories about social and

organizational phenomena of complex causality” (Yacuzzi, 2005, p. 2). In situations that have a multiplicity of factors, actors, and dynamics at play, the case study approach can provide a broad picture of the complexity that cannot be provided by other approaches. As described in the classic book, case study methodology works best for situations that “have many variables of interest....and are based on multiple sources of evidence” (Yin, 2009, p. 13).

The field research component in Bolivia drew on ethnographic approaches, using the following understanding of ethnography characteristics:

- A strong emphasis on **exploring the nature of particular social phenomena**, rather than setting out to test hypotheses about them
- A tendency to **work primarily with “unstructured” data**, that is, data that have not been coded at the point of data collection in terms of a closed set of analytic categories
- Investigation of a **small number of cases**, perhaps just one case, in detail
- Analysis of data that involves explicit interpretation of the meanings and functions of human actions, the product of which mainly takes the form of verbal descriptions and explanations, with quantification and statistical analysis playing a subordinate role at most

Source: Atkinson and Hammersley, 1994, p. 248

According to Guba and Lincoln (2000), the social constructivist researcher’s role is as the facilitator of multi-voice reconstruction (cited in Bloomberg & Volpe, 2008). In case study research, it is considered important to collect information from multiple sources in order to create the kind of triangulation that verifies results (Yin, 2009). Triangulation means that when multiple people from varying perspectives speak to the same topic, a more valid and credible form of information emerges, showing a complexity of meanings and motivations.

To document these multiple ‘voices’, a multifaceted set of methods are required. My research therefore combined participant observation, semi-structured individual and group interviews, and document collection and analysis. Documents can provide background information or numbers that contextualize or validate information gathered

from individuals. Group interviews with community members were complemented by interviews with municipal authorities and staff from relevant non-governmental organizations (NGOs), and by the collection of documents from government, community, and NGO sources.

Participant observation rounded out the data collection methods. Interviews can provide specific and structured information; generally the kind of information that is 'explicit' to the interviewer and interviewee.²⁰ However, a different kind of information emerges from observing people in group settings such as meetings and work; from seeing how they interact, make decisions, and organize. Participant observation involves more casual conversations that emerge while 'hanging out' with and around the people involved and allows for more 'tacit' information to emerge (DeWalt & DeWalt, 2002). Tacit information refers to the cultural and experiential knowledge that we all have, but do not necessarily recognize or are not able to easily articulate. "We know more than we can tell", stated Polanyi famously, when he coined the term 'tacit knowledge' (Polanyi, 1967, p. 4). This kind of information can be observed more readily in our behaviour and actions rather than in our words.

Participant observation was utilized to a way to gain insight into the dynamics of meetings and work of the people involved in the case study initiatives. I used a field journal to take notes on my observations during every visit to a case study community, making sure to fill in the details while they were still fresh in my memory. These notes were used when analysing the research results upon my return to Canada.

By "participant observation", I am not referring to the type of participant observation in which anthropologists engaged in historically—namely, living in a community over an extended period of time to document and interpret another culture. Rather, I use the evolved sense of collecting information "by participating in the daily life of those he or she is studying" (Smith, 1997). The strength of this method is being able to see people operating in their own context; to see how they interact and operate in the real world.

²⁰ 'Explicit' here means 'consciously known.' The interviewer has to know about something to be able to ask about it, and the interviewee has to consciously know about something to be able to say it out loud.

The aim of participant observation is to produce a 'thick description' of social interaction within natural settings (Smith, 1997).

'Thickness' emerges when the social structures and context are taken into account, rather than observing people's behaviours in isolation (Geertz, 1974).

DeWalt and DeWalt (2002) emphasize that participant observation is one method among many in qualitative research that help to understand the nature of the phenomena. Other methods include structured and semi-structured interviews, and collection and analysis of texts. In other words, participant observation is one tool but it is not sufficient in and of itself. It must be complemented by other kinds of information, and subject to thorough analysis to gain a more complete picture of the phenomena under study.

3.2.2. Case study selection

Field research in Bolivia was conducted over five months from May to September 2011, focused primarily on collecting data about the three case studies of economic initiatives in indigenous communities. The field research was complemented by contextual knowledge gained from more than eight years of experience working in and with Bolivia on capacity-building for local economic development and CED.

Through local contacts, established through previous work and activities in Bolivia, six potential case study communities were identified by their fit with the selection criteria. These six were narrowed down to three based on the willingness of the communities to participate in the study. The three case study initiatives were chosen corresponding to five criteria, designed to provide the basis for comparison:

- Located in a highlands or highlands valley topography
- People involved (members) self-identify with an indigenous ethnicity
- Representing three forms of rural typology from remote to rural to semi-rural
- Involve a group of people from a community working together on an economic initiative²¹

²¹ Economic is defined broadly to mean meeting of material needs and include monetary or non-monetary activities. For example, growing subsistence crops is considered to be an economic activity within the scope of this research.

- Varying orientations to market, from a non-commercial focus, to focus on a local market, to a commercial orientation in an external market

3.2.3. *Fit with selection criteria*

The three cases share the characteristics of self-identifying as indigenous (descended from Aboriginal peoples) and being located in a highlands topography, but differ in their degree of remoteness, degree of formality in organization, degree of support from external actors, and degree of orientation toward commercial markets.

The Chañojahuá Agricultural Co-op is a bottom-up, collective economic initiative that is created and run by the local people who are also its members. The community itself retains forms of traditional leadership, language, and clothing, and some Community Economy practices; however, the community has lost the majority of its inhabitants to urban migration. The cooperative is strong in organization but has few social or economic impacts so far. Currently, their only activity is collective planting and harvesting of potatoes for direct consumption, but they plant more than one-eighth of the land they own. There is no external support for the initiative.

The Churicana Textile Association can be seen as an example of a self-initiated, bottom-up, collective economic initiative. It is located in a context where traditional leadership, language and clothing, and Community Economy continue to exist to some degree. The initiative is supported by a municipality and an NGO to small extent. Cultural preservation and promotion, along with income generation, are the goals. It is very small-scale and has had little economic impact so far. However, it has provided an increased source of cash income for 17 families, supplementing subsistence agriculture. It also has potential for supporting cultural preservation on various fronts.

The Tomina Oregano Co-op is a collective economic activity, started by an NGO called SOCODEVI but also linked to community organizations. It is supported by its municipality and by international cooperation funding. This initiative has a significant economic impact, generating income and contributing to food security for more than 1000 families. The initiative has also contributed to revitalization of the town of Tomina, including bringing back migrants and fostering new local businesses. Spin-off activities include a cooperatively-owned food store and a commercialization of eggs and chicken.

In terms of the “fit” with the case selection criteria, each is an example of an associative form of economic organization but vary in the degree to which Community Economy plays a role in their endeavours. All are located in rural areas that can be characterized as highlands or highland valleys, but are different in their degree of remoteness in terms of distance from large urban centres and accessibility. All three involve members who self-identify with an indigenous ethnicity, but with differences in how they conceptualize or practice their indigeneity. They are different in terms of their market orientation, from entirely non-commercial, to selling in a local marketplace only, to commercial with an export market. It is interesting to note, however, that all three are interested in being competitive in the market. Table 5 shows how each initiative corresponds to the case study selection criteria.

Table 5: Cases according to selection criteria

Case / Selection Criteria	Chañojahuá agricultural co-op	Churicana artisanal association	Tomina Oregano Co-op
Self-identify as Indigenous	Aboriginal People, <i>Aymara</i>	<i>Yampara, Quechua</i>	<i>Campesino, Quechua</i>
Located in Highlands or Highland Valleys	3900 m	2900 m	2300 m
Varied rural typology	Semi-rural	Very rural (remote)	Rural
Varied forms of economic organization	Social Economy (co-op) with significant elements of Community Economy	Social Economy (association) with some elements of Community Economy	Social Economy (co-op, social enterprise) with no Community Economy practice
Varied Typology of Market Orientation	No market orientation (consumption only)	Market orientation but small reach	Highly market-oriented with international reach

3.2.4. Limitations of Case Study Approach

The weaknesses of the ethnographic and case study approaches have to do with scope and the potential for generalization. They can only be used to study a specific and relatively small situation in a particular moment of time. The question arises: can such findings be generalized to a larger scale, to derive theory that can be applied to other places or to say something definitive about a particular set of social phenomena? While it would be difficult to make conclusive claims about applying these findings directly to another context, general themes and issues can be identified that are relevant to other

places facing similar socio-economic dynamics and challenges. Further, the cases make a rich contribution to the field of defining the nature and scope of the SE and bottom-up development; documenting specific indigenous actions toward increased participation and power in economic, political, and socio-cultural spheres; and contributing to the “documentation of credible experiences to help re-envision development theory and practice” (Gibson-Graham, 2005).

3.3. Data collection methods

The research for this thesis involved four main methods of data collection: (1) literature review (in Canada); (2) document review (in Bolivia); (3) semi-structured interviews (in Bolivia); and (4) participant observation (in Bolivia).

3.3.1. *Literature review*

The first stage of the research was a literature review, conducted before leaving for the field research in Bolivia. The literature informed the research design and choice of methods. Keyword searches were conducted again in the fall of 2012 and spring of 2013 to ensure the literature included the most up-to-date articles and books available on the relevant topics. The literature review focuses on the following conceptual areas:

- Social economy and CED—comparative contexts, conceptualizations, and models
- Indigenous Social Economy, indigenous CED, and indigenous entrepreneurship
- Decentralization and Participation—from a planning and participatory development perspective
- The Bolivian context—political, social, and economic history and indigenous movements

In addition, several sources on qualitative and quantitative social sciences methodologies were consulted, including applied research, case study methodology, ethnography and participant observation, and issues around doing research with indigenous peoples.

3.3.2. Document review

The literature review involved academic writings from the North American and European context. During the field research phase, I collected documents from relevant government offices and organizations to identify the particular laws, policies, and programs related to SE and CED. A complete list of documents gathered in Bolivia is detailed in Appendix B. Documents were collected from four types of institutions and organizations:

- **National government:** the Bolivian constitution, National Development Plan, Law of Autonomies, Law of Community Agricultural Reform, and various booklets produced by government ministries related to these documents.
- **National civil society organizations:** Publications of the Confederación Sindical Unico de Trabajadores *Campesinos* de Bolivia (CSUTCB) and the Consejo Nacional de Ayllus y Markas del Qullasuyu (CONAMAQ), the strategic plan of the national Movement for the Solidarity Economy and Fair Trade (MESyCJ), and proposals for national policies and laws to promote the Social / Solidarity / Community Economy.
- **Municipal governments:** Annual Operating Plans (POAs), and Five-Year Strategic Development Plans (PDMs) from the municipalities of the case studies
- **Local civil society organizations:** Business plans, planning documents, or project descriptions related to the case studies.

I also planned to collect business plans or planning documents of the indigenous people involved in each of the cases, but these documents did not exist. That is, the only written documents were ones prepared by NGOs or professionals supporting the initiatives, not by the members of the initiatives themselves.

3.3.3. Semi-structured interviews

Semi-structured interviews were carried out with individuals and groups at the national and local level. Interviews provided context for the case studies, as well as the specific details of the initiatives.

At the local level, individual semi-structured interviews were conducted with the following “supporting” actors insofar as possible:

- Mayor and/or director of economic development for the municipality
- Staff of NGOs working with the case study initiatives, where applicable
- Municipal staff involved with local economic development and/or the specific case study initiatives
- Traditional authorities—community leaders

In total, I conducted 19 interviews at the municipal / local level with people who support local economic development or the specific case study initiatives. I interviewed one mayor (Chañojahuá); three elected council members (Tomina and Churicana); two directors of municipal economic development (Churicana and Chañojahuá); five traditional authorities beyond those involved directly in the initiatives (Chañojahuá and Churicana); three staff from NGOs working in the communities (Chañojahuá, Churicana and Tomina); and two municipal staff in economic development roles (Chañojahuá and Churicana).

Interviews were also conducted at the local level with the directly-involved actors—namely, the president and members of each of the three case study initiatives. I conducted individual semi-structured interviews with the presidents of the three associations / cooperatives in Chañojahuá, Churicana and Tomina. With the members of the Chañojahuá cooperative and the Churicana association, semi-structured interviews were conducted in a group setting. Ten members from Churicana and 25 from Chañojahuá participated. In Tomina, it was not possible to organize a group interview, due to logistics. Instead, I interviewed three cooperative members / producers individually. In total, I interviewed 41 people who are direct participants in the initiatives. However, the differing numbers of people interviewed from each community mean that the information may have different emphases or gaps. In all cases, I attempted to fill in any gaps through participant observation and documents.

In total, nine semi-structured interviews were conducted with relevant actors at the national level. The purpose of these interviews was to understand how the State and national civil society organizations understand and support the SE and community forms

of economic organization in Bolivia. I conducted interviews with individuals in the following ministries and organizations:

- **Ministry of Productive Development and the Plural Economy (Ministerio de Desarrollo Productivo y Economía Plural).** Responsible for implementing the Plural Economy model in Bolivia, and for co-implementing the Law of Community Agriculture Reform. Interviews were conducted with a vice-minister and the person responsible for Solidarity Economy within a sub-unit of the ministry.
- **Ministry of Autonomies (Ministerio de Autonomías).** Responsible for implementing the Law of Autonomies. I interviewed the Director of the Vice-Ministry for Indigenous, Aboriginal and *Campesino* Autonomies, which is the unit responsible for Autonomous Indigenous Territories and Municipalities. A follow-up interview was conducted with the new director in February 2012.
- **The Confederation of *Campesino* Unions of Bolivia (Confederación Única de Trabajadores *Campesinos* de Bolivia-CSUTCB).** The CSUTCB formed in 1979 as the national union of Bolivian *campesino* farmers or *campesinos*. With more than two million members nationally, the CSUTCB was a principal actor in ousting Bolivia's last military government in 1982, the Goni administration in 2003, and the election of the MAS party in 2005. The CSUTCB is also considered to be a national indigenous organization, as the majority of the *campesino* members alternately identify with an indigenous heritage. Each of the case study communities is organized within the CSUTCB structure. An interview was conducted with a former Executive member who continues to advise the current Board of Directors and is on the committee that helped to develop the Law of Community Agricultural Reform in cooperation with the national government.
- **Movement for Solidarity Economy and Fair Trade (Movimiento de Economía Solidaria y Comercio Justo-MESyCJ).** A network made up of enterprises and organizations engaged in SSE activities and/or in fair trade activities. Both primary and second-tier organizations are members—that is, producer cooperatives and the associations of producer cooperatives. An interview was carried out with the Director and a staff member who is responsible for supporting the commercialization of SE and fair trade products of member organizations.

3.3.4. *Participant observation*

During the five months in Bolivia, I spent time going to meetings in each of the case study communities. These included meetings of the local leaders or authorities who are part of the CSUTCB structure, and meetings of cooperatives or associations if possible. I attended more meetings in one of the case study communities than in the other two, due to logistics and openness to my presence. I also witnessed and documented an agricultural work party in one case study community; an afternoon of weaving in the second case study community; and the operations of the oregano factory and farming activities of an oregano farmer in the third case study community. In addition, I have been working in and with various community leaders, municipal staff, and NGO personnel over the last ten years in five regions of Bolivia as part of the training project mentioned in Chapter 1. This has given me the privileged position of developing a much deeper level understanding of the local and national context and challenges than I could have developed in the five months of field research alone.

3.3.5. *Ethics and consent*

My research proposal was approved after a thorough Ethics Review by the Office of Research Ethics at SFU. Their ethical framework highlights “risk” to the research subjects; ‘informed consent’; and ‘privacy’. I therefore showed that the study would have minimal to non-existent risk to the participants, as much of the information was gathered through a review of public documents, participant observation, and interviews with elected leaders in a public service role. Research participants were not deceived in any way or subject to any kind of experiment. In terms of consent, all participants in interviews or who were “observed” during the study were informed verbally that I was conducting research, my institutional affiliation, that I would use the information in my doctoral dissertation, and that they could choose to not participate if they wished. Consent for one-on-one interviews was obtained via signature, while a verbal consent was used for group interviews/focus groups and participant observation. Finally, I committed to not using names in my publications about the research findings. Officials in public roles are identified by title in the dissertation, but not by name.

3.3.6. Summary of methods

In summary, the field research sought two kinds of information:

(1) Contextual Information was gathered to understand the role of actors at the national and local levels in regards to SE or CED processes. Table 6 shows the types of contextual information sought and the corresponding methods.

(2) Case Study-Specific Information focuses on the history, structures, processes, and challenges of the three initiatives. Table 7 shows the method and source for the types of information I researched about each of the three case study initiative.

Table 6: Methods for contextual information data collection

Type of information	Source	Method
Local indigenous <i>campesino</i> leadership structure in the case study communities.	Local leaders Websites and planning documents of national indigenous organizations Academic books or articles researching this topic	Semi-structured interviews Participant observation
Relationship between municipality and the economic initiative	Municipal 5-year strategic development plans and annual budget Municipal leaders and planners in the three communities	Document review Semi-structured interviews
NGOs working at the local level in the case study communities and their relationship with the case study initiatives if relevant	Local leaders and municipal staff (to identify NGOs) NGO staff NGO project documents and/or budgets	Document review Semi-structured interviews
National government conceptualization of SE, and actual practices / actions/ policies / to promote the SE and bottom-up development processes	National laws and policy documents (Constitution, Law of Community Agricultural Reform, Proposed Law on the Solidarity Economy and Fair Trade) National government staff in relevant positions and ministries	Document review Semi-structured interviews
National level civil society organizations involved in SE promotion or development	Planning documents of the key national organizations Staff or directors of the key national organizations	Document review Semi-structured interviews

Table 7: Summary of methods for case study data collection

Information sought	Source	Method
History of the experience Goals Actors involved	Documents from cooperatives, municipalities, NGOs Local leaders of the community level organizations (e.g. Mallkus, cooperatives) NGOs or other institutions involved in the initiative	Document review Semi-structured interviews
Participation of Community Members	Local leaders of the community level organizations (e.g. Mallkus, cooperatives) Sample of the participants / members of the co-op or association	Semi-structured interviews Participant observation
Outcomes Obstacles Lessons Learned	Local leaders of the community level organizations (e.g. Mallkus, cooperatives) Sample of the participants / members of the co-op or association	Semi-structured interviews Participant observation

3.4. Reflections on the research process

Qualitative research, especially using ethnographic and interpretative approaches, can be “messy” as it is implemented on the ground. Because my research was purposely open to exploring what was really happening in Bolivia—in terms of national government policies and actions, as well as the economic activities and organization of rural indigenous communities in the highlands—I naturally found the process of finding out who to talk to and how to gather information was complex and required a high degree of flexibility and responsiveness to emerging opportunities and challenges.

First, once I had been in Bolivia for about a month, and had spoken with several local contacts from academia, government, and NGOs, I determined that my original research questions were too abstract to resonate with the people I wanted to interview. I had planned to ask community members how they understood the social economy and how they related to indigeneity, but in visiting a couple of communities through my contacts, I found that these kinds of questions met with blank faces and no response. I had to change to questions that were more specific, such as what did they want for their communities, and why did they start up the economic initiatives—questions that related more closely to their actual motivations and less to my abstract research interests. I was

still able to then analyze their responses in terms of concepts like indigeneity and social economy in the data analysis phase.

Second, in true interpretive style, my research began with questions rather than hypotheses, collected a range of data from a range of sources, and then attempted to explore patterns within the data. On the other hand, I found that this became an iterative process over several months, during which time I began to form tentative hypotheses about what kinds of processes and issues were common among the communities, and about how the approach of the national government was effecting local perceptions and actions. At a certain point, I decided to develop specific indicators to “measure” or “assess” the impacts of the community-based initiatives—but I did develop these in collaboration with existing work being done by local academics and development practitioners. I have read that it is common in qualitative research to use a combination of inductive and deductive methods; indeed, they can be seen as a cyclical process that feed into one another, rather than as stand-alone method (e.g., Troche, 2006).

Third, I spent two months visiting one initiative in the making—with the idea that I would research one case that was just starting up, and two other cases that were more established. However, the leader of this initiative died in a car accident with his wife. I was devastated, as he had become a friend and someone I admired deeply. I found that I was no longer emotionally able to track the initiative or write about it, and so ultimately I decided to leave that case out of my dissertation.

Fourth, it was difficult to get time with the people that I wanted to interview. People are busy, and answering questions for a researcher is not at the top of most people’s priority lists. I therefore adapted to whatever each community was able to offer. In the case of Churicana, the textile association members were willing and able to meet with me as a group and go through a group analysis of their association. On the other hand, in Tomina, I was only able to interview co-op members individually. Therefore, my data is not “comparable” in a rigorous positivist sense, but I did gather as much of the same kinds of information in each place as possible, regardless of the method used to gather that information.

Fifth, again due to the time constraints of people, I utilized participant observation substantially as an information gathering method. This means, of course, that the data is interpreted through my eyes and my (known and unknown) assumptions or frames of reference. On the other hand, I attempted in all cases to triangulate the information and my interpretation by checking with various sources and contacts.

Finally, in terms of the issue of research ethics, I found that the people I met with and interviewed had very different emphases and values than the principles I had followed in my Ethics Review in Canada. Privacy was not a concern for anyone that I met. When I mentioned that I wouldn't include their name in any publications, they would say "why not?" and "go ahead". More significantly, in the rural communities that identified as indigenous, I found that group consent was the desired protocol, not individual consent. In both Viacha and Tarabuco, I was asked to speak in front of a group of leaders and community members, to introduce myself, and to explain who I am and my intention in visiting their communities. Once the community leaders had then approved my presence and activities, I was 'in'. When I would ask individual people for their consent to participate in the study, when visiting the case study communities, they would tell me that I was already approved to be there. Further, my trusted contacts in the communities told me that no one would sign consent forms because as indigenous peoples they had learned 'not to sign anything'. It was explained to me that they had signed away their rights and land in the past, and therefore viewed documents requiring signatures as threatening. So I had to rely on verbal consent. I did use the signed consent forms with people in professional positions, such as in the national government. When I asked local people what they considered to be 'ethical' in terms of research practice, I was told that the main thing is to not claim their ideas as my own, to always say what came from them.

3.5. Themes for analysis

From the literature review, I developed four themes or frameworks to analyze the field research data. As shown in Table 8, the themes closely correspond to the main research question and three sub-questions. Each theme is the subject of one of the ensuing chapters.

Table 8: Themes for analysis

Theme	Corresponding research question	Chapter
<p><i>Theme One</i></p> <p>Identifying the SE and CED characteristics of the case study initiatives, and the elements of the national government's understanding of the concept of SE</p>	<p><i>Sub-question 1</i></p> <p>How is the Social Economy being conceptualized and implemented by various actors in Bolivia, including the central government, civil society organizations, and members of rural indigenous communities?</p>	5
<p><i>Theme Two</i></p> <p>Using CED and SE indicators to explore the benefits or challenges of the initiatives</p>	<p><i>Sub-question 2</i></p> <p>What are the main benefits and challenges associated with the Social Economy and CED in rural indigenous communities in the Bolivian highlands?</p>	6
<p><i>Theme Three</i></p> <p>Identifying national level and municipal actions, challenges, and opportunities related to supporting the Social Economy and CED processes</p>	<p><i>Sub-question 3</i></p> <p>How are national and local institutions, particularly the central and municipal governments, effecting the development of the Social Economy and CED initiatives?</p>	7
<p><i>Theme Four</i></p> <p>Identifying the components of marginalization vs. participation in spatial and place-based terms manifest in the case studies and national policies</p>	<p><i>Main question</i></p> <p>To what extent are Social Economy and CED initiatives supporting shifts of indigenous peoples from spaces of marginalization to places of participation in political, economic, and socio-cultural terms?</p>	4 and 8

Theme One: SE and CED characteristics of the case study initiatives and national government understanding of the SE

This theme is explored in Chapter 5. First, the ways in which relevant national-level actors describe the SE are outlined and compared to the literature review, to determine the similarities or differences in the conceptualization of the SE in the Bolivian context. Second, a composite of characteristics of the SE was compiled from the literature review to form a framework to assess the three case study initiatives, shown in Table 9.

Table 9: SE analysis framework

Approach to definition	Criterion for identification
Structure / Ownership	Cooperative, Producer Association, Social Enterprise (social-purpose business), NGO (nonprofit), Community-owned enterprise
Monetary / Distribution of Benefits	Distributed equally based on membership and participation in labour
Normative / Values	Social empathy manifested in reciprocity, seeking common benefits, cooperation—may manifest in Andean-specific ways such as <i>ayni</i> (reciprocity) or <i>trueque</i> (non-monetary trade)
Goals or Purpose	Integrated objectives—social, economic, environmental, cultural (at least three of the four)

The framework uses a combination of organizational structures and normative approaches for defining the SE in order to provide the broadest possible spectrum for understanding the scope and structure of this sector in the Bolivian context. Accordingly, I assessed each initiative in terms of its legal or organizational structure (typology), and also in terms of the values or norms evident in their goals, operations, and distribution of profit or other benefits (normative). The expressed need to identify the particularities of the SE in Bolivia meant that the analysis had to be open to including a wider range of organizational structures or values than those expressed in the English-language literature. As such, forms of organization that are particular to the Latin American context (such as producer associations) or indigenous communities (such as community-owned enterprises or traditional leadership) were included in the criterion—and values related to the Community Economy were also incorporated in the analysis, such as reciprocity, collective benefit, and non-monetary trade. Third, the case studies were further analyzed through the APIPS lens (see Figure 3) to determine CED characteristics or dimensions.

Theme Two: Benefits and challenges of the initiatives as per CED and SE indicators

I developed indicators based on the APIPS five-point lens specifically by integrating the characteristics and norms of the SE to correspond to each of the CED principles (see Table 10). The indicators were conceived broadly to incorporate particularities of the Bolivian context and were used to understand the ways in which the three initiatives are resulting in tangible benefits for the communities involved. For example, each initiative was analyzed to see if its results correspond to a triple-bottom line

of social, economic, and environmental well-being (indicator 1) and if they have resulted in improved incomes (indicator 6). The challenges in the initiatives were also identified, in terms of the obstacles to achieving the SE and CED goals. This theme is explored in Chapter 6.

Table 10: Five-point framework for CED and SE analysis

Integrated Goals	Asset-Based Approach	Place-Based Strategies	Sustainability Focus	Participation and Inclusion
Indicator 1 Objectives and strategies include social, economic, and environmental dimensions	Indicator 3 Based on existing and potential resources of the community (human, physical, natural)	Indicator 5 Self-defined conception of development (“fit” with local context)	Indicator 7 Financially and/or economically sustainable (no outside help needed)	Indicator 9 Bottom-up process from envisioning, to planning, to implementation (self-managed)
Indicator 2 Incorporation of culture in objectives or structures (i.e., language, arts, governance, values, ways of life)	Indicator 4 Results in improved incomes and/or other economic benefits (such as food security) for members	Indicator 6 Creates a strengthened local economy that will ‘stay in place’ (e.g., local economic diversification, local ownership)	Indicator 8 Uses or develops appropriate technologies that do not damage the environment	Indicator 10 Inclusionary—any or all community members can participate and do participate actively and freely in decision-making and benefits

Theme Three: National and municipal actions, challenges, and opportunities for supporting SE and CED processes

Analysis of this theme involved three components. The first involved identifying which laws have been explicitly adopted since 2009 to support the Social or Community Economy (because the 2009 Constitution states that the government will support these forms of economic organization) or the autonomy of indigenous territories (as the 2009 Constitution states that these will have increasing power to make decisions in their local areas). These laws are documented in Chapter 4. Second, I analyzed the implementation of these laws in terms of how the national actors said that they are being implemented, linking this with how municipal governments or members of the three case study initiatives perceive the implementation of these laws. This analysis occurs in Chapter 7. Third, I analyzed if and how these laws are benefitting the emergence/ strengthening of the SE or

CED processes in the three case study communities. This analysis also occurs in Chapter 7.

Theme Four: Components of marginalization vs. participation in spatial and place-based terms in case studies and policies

The components of these spaces are political-institutional, economic, and socio-cultural, and can be understood on a kind of continuum from marginalization (exclusion, lack of power) to participation (inclusion, empowerment). In political terms, gaining the right to vote is one step on the path to participation, and institutions that support direct participation in decision-making are quite far along the path. For indigenous peoples, self-management of territories is also a critical component of political participation. In economic terms, moving from marginalization to participation has to do with a greater ability to meet material needs through non-monetary means (improved food production) or monetary means (improved cash income through access to employment or to local, national, or international markets. It further relates to circuits of capital, as defined by Harvey (1996): changing flows of capital or inserting within flows of capital—'participating' in such flows. Within a place-based development framework, it also relates to grounding these economic mechanisms in place, such that multiplier effects occur in local places. In social terms, marginalization occurs when the social and cultural values, beliefs, ways of organizing are ignored or even oppressed by the mainstream society. Participation in socio-economic affairs has to do with increased recognition of multiple cultures within a nation-state, and the ability of each group to express and strengthen specific socio-cultural practices and beliefs. The latter is particularly important for minority populations and/or indigenous peoples. This theme is explored primarily in Chapter 8.

Chapter 4. Moving from marginalization to participation

4.1. Aims, scope, and organization of the chapter

This dissertation is about the role of the SE in supporting people who are striving to move from marginalization to participation in political, economic, and socio-cultural terms. Marginalization refers to being at the edges in some way—due to colonialism, global economic structures, physical location, policy decisions, circuits of capital, and more. Within such a framework, “development” is about moving toward greater participation—in the economy, in political decision-making, and in being able to reclaim and regenerate control over the spaces of one’s daily life—the particular places in which we live, work, socialize, organize, and create meaning.

This chapter outlines the key events and actions that have been shifting indigenous people in Bolivia from spaces of marginalization to places of participation, with the main emphasis on the changes that have occurred in the last 20 years. As such, this chapter lays out the basis for analysing the main question of the dissertation: to what extent are SE and CED initiatives supporting shifts of indigenous peoples from spaces of marginalization to places of participation in political, economic, and socio-cultural terms?

4.2. What does “marginalization to participation” mean?

The title of this dissertation—“from spaces of marginalization to places of participation” is not a completely defined concept at this stage. It is an idea in the making. I am striving to bring together multi-layered and intersecting concepts into a coherent framework. The idea draws on the difference between space-based economic development and place-based development. As outlined in Chapter 2, the space-based economy functions on the basis of abstract economic concepts such as the *comparative advantage* of countries and regions. Development is measured by economic productivity and accumulation of material wealth. Within this space-based framework, places like Bolivia occupy a marginalized or peripheral position in the world economy and geopolitics—

as spaces that produce natural resources and agricultural commodities at cheap cost for the use and consumption needs of semi-periphery and core countries; and participate minimally in international decision-making bodies like the United Nations, World Bank, or World Trade Organization.

I posit that indigenous peoples living in Bolivia exist in a multiply-marginalized space, as a periphery within a periphery. In other words, since the time of European colonization, when the current world-system began to form, colonized peoples were literally and figuratively pushed into marginal spaces. Their language, culture, and ways of knowing and doing became marginalized within the political and social spaces of the country at national, regional, and local levels. The colonizers occupied the spaces of economic and political participation through their military and economic power within the newly emerging global system. European expansion and colonization thus pushed indigenous people in the Americas (including in Bolivia) into spaces of triple marginalization. First, in economic space, indigenous peoples provided cheap labour within Bolivia (exploited internally by people with more social-political-economic power) and within the world-system (cheap labour provides cheap products to the core countries). Second, in political terms, indigenous peoples could not access spaces of decision-making as their forms of governance were replaced by structures in which they had no vote, voice, or representation. Third, in socio-cultural dimensions, their culture and priorities were not reflected in national laws, policies, resource allocation. In many cases, they were not allowed to manifest their own language, spiritual practices, clothing in public spaces—these were instead marginalized into very small personal spaces such as their homes or in isolated rural lands. Figure 4 shows these spaces of marginalization in graphic form.

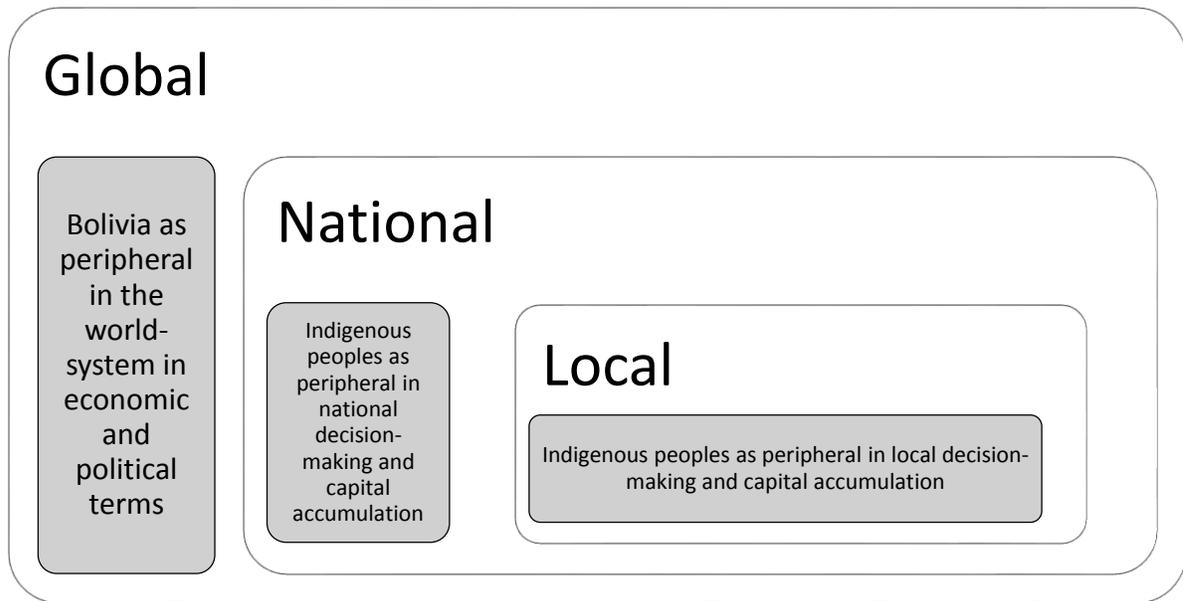


Figure 4: Spaces of marginalization

Note: Original figure by the author

As indigenous people are able to use their own culture and priorities as a basis for local decision-making; as they gain increasing power to participate in local and national levels of governance; as they are able to develop economic activities that allow them to participate in flows of capital and capital accumulation OR at least to find ways to meet their material needs; and as their values and priorities are increasingly recognized in laws and policies and resource allocation at local and national scales—these kinds of processes are what I am calling increased participation in social, economic, and political terms. In many ways, these forms of participation are synonymous with ‘self-determination’ and ‘postcolonialism’.

The Bolivian context of decentralized authority and resources to local governments, combined with requirements for participation by local non-state actors in strategic planning and budget allocation, create an environment with rich potential for place-based development at the municipal level. In theory, there is significant potential to address the problems associated with ‘cookie-cutter’ models of development that are applied by external, top-down actors. In addition, significant potential exists to support increased self-determination by indigenous peoples over their territories in rural municipalities, as their organizations are incorporated into local participatory planning

processes. In addition, the changes in national laws and policy toward indigenous culture over the last decade, manifested in the constitution and various national laws, manifest potential for increased participation and self-determination by indigenous peoples at various scales and spheres in the Bolivian context.

4.3. Bolivia as a site of contrasts

Bolivia is a landlocked country of great contrasts. It contains five distinct geographical zones: the Amazon region in the Northwest; a large tropical zone in the Northeast and East; the *altiplano* or highlands in the Andean mountain range in the Southwest; a subtropical valley region in the middle of the country; and a dry plains region called Chaco in the Southeast corner of the country (see Figure 5). Each region displays distinct climate, economic sectors, ethnic/ cultural make-up, and forms of social organization.

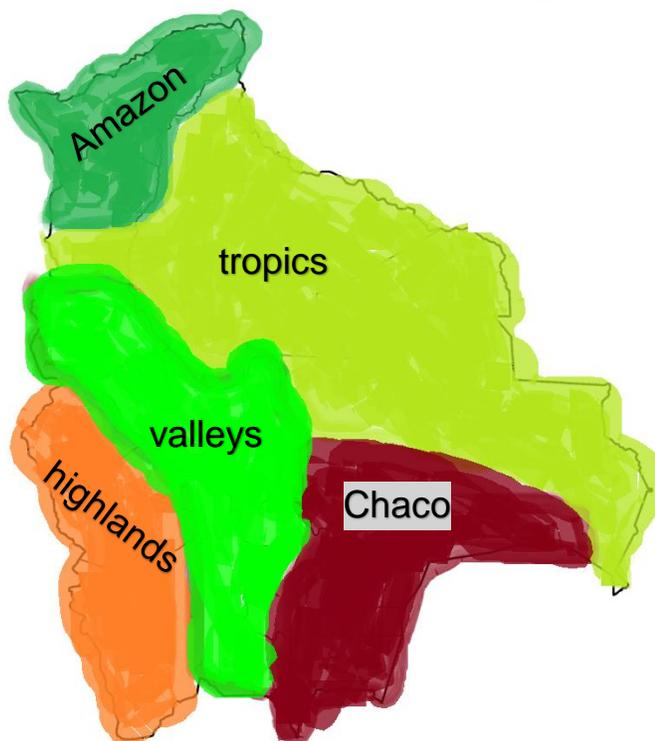


Figure 5: Geographical zones of Bolivia
Source: Original image by the author

Bolivia's population of 10.46 million people is multi-ethnic, made up of European-descendants, indigenous peoples, *mestizos* (mixed European/ indigenous heritage) and a few other groups such as AfroBolivians (descendants of enslaved Africans) (Instituto Nacional de Estadística, 2013). It has one of the highest percentage of indigenous peoples in Latin America, at 55% according to Bolivia's National Institute of Statistics (Instituto Nacional de Estadística, 2008).²² The largest indigenous groups are *Aymara* people at 25% of the total population and *Quechua* people at 30% (Instituto Nacional de Estadística, 2008). Other indigenous groups include the Guarani, Chiquitano, Mojeño, Cavineño, Chácobo, and Uro, among others (Instituto Nacional de Estadística, 2001).

Bolivia ranks as the poorest country in South America, and one of the poorest in Latin America (World Bank, 2012). Poverty rates are unevenly distributed along spatial and ethnic lines, with indigenous and rural areas ranking as the poorest (INE, 2001; INE, 2008). In statistical terms:

- an estimated 45% of the population lives under the international poverty line
- although poverty rates are down from 60% in 2007, Bolivia remains well below the Latin American average of 11% and is comparable to Nicaragua and Honduras
- Extreme poverty rates are 27% for Bolivia as a whole, but 52% for Bolivia's indigenous peoples
- Two thirds of the indigenous population is among the poorest 50% of the population
- Rural poverty rates are much higher than urban rates, and 72% of the rural population speaks indigenous languages, compared to 36% in urban areas
- Bolivia's indigenous peoples predominate in the highlands and highland valley regions, which are simultaneously the poorest regions of the country
- Wealthier regions such as Santa Cruz and Tarija are only 17% indigenous

Source: World Bank, 2013

²² Peru and Guatemala are the two other countries in Latin America with large indigenous populations. According to the World Bank (2005) between 25% and 48% of Peruvians are indigenous, with the low number as people who speak a native language as their mother tongue, and the higher number as people whose parents or grandparents spoke a native language. The same source cites Guatemala's population as 39% indigenous.

Its landlocked status may be one determinant in Bolivia's relatively higher poverty, compared to neighbouring countries. Indeed, at a global level, landlocked countries have an average per capita income of only one-third the income of countries with access to the sea (Gallup, 2000). Ocean access facilitates direct links to markets and reduces costs related to transportation over long distances or by air. In many ways, Bolivia is cut off or at least impeded from accessing international markets by its geography.

Bolivia has been a kind of experimental ground for the various development models that have emerged since the end of World War II. The national government has engaged in land reform and attempts to modernize the agricultural sector, nationalization and then privatization of its major resource sectors, structural adjustment policies (SAPs) and export oriented growth, and decentralization of political decision-making and expanded popular participation. At various moments, these models have led to macroeconomic growth (Sachs, 2005) and have increased the degree of political participation of marginalized groups (Cameron, 2009; Kohl, 2003a). However, they have not addressed the internal structural issues of the country that continue to manifest in poverty and social inequality along ethnic lines.

4.4. Bolivia as a periphery

Bolivia displays the classic characteristics of an agro-export and extractivism based economy of most developing countries. The economy has centered on the export of commodities derived from mining and agricultural activities since the Spanish colonial period. As such, Bolivia fits Wallerstein's (1974) criteria of a periphery region in the global economy with the following characteristics: primary activities as the focus of the economy; dependency on the markets of core and semi-peripheral countries; and extreme vulnerability to changes in externally controlled world markets.

Modernization of the agricultural and mining sectors has been favoured as an economic growth model since the 1950s, with two parallel strategies. Agriculture shifted from a feudal style mode of production (traditional landholding elites with peasants labourers tied to estates for life) to agribusiness (waged labourers, mechanized operations, chemical inputs, and industrial processing)—particularly in the Santa Cruz

lowlands regions (Phillips, 1998). Mining shifted from national ownership and labour-based extraction toward foreign investment and the use of more advanced, mechanized extraction technologies.

As argued by Brohman (1996), these kinds of policies were implemented throughout Latin America and were understood to be critical to economic development by seeking to increase trade balances; foreign investment; and develop forward and backward linkages to diversify the economy. In reality, the agro-export model was superimposed upon existing socio-economic structures of inequality and indeed relied on these structures for success (Brohman, 1996). For example, the comparative advantage of periphery economies results from low production costs, which are derived from cheap labour and land costs. It is therefore in the macroeconomic interest of agro-export economies to maintain rigid social relations of inequality: when the majority of the rural population lives at a subsistence level, with few options for cash income beyond low paid, seasonal, agricultural labour, a flexible low-cost labour force is maintained and thus comparative advantage is retained. The landowning elites in Latin America have therefore had little incentive to re-invest profits in their respective countries to diversify the economy (Brohman, 1996). Unlike in North America, where the accumulation interests of elites required the development of a consumer middle class to buy mass consumption products during the Fordist period, the accumulation interests of the traditional landowning elites in Latin America required retention of a majority poor population. The agro-export model has therefore had few multiplier effects that benefit the lower classes, and the majority of the population in these countries remains impoverished.

Thus, despite the macroeconomic growth achieved in Bolivia by the agribusiness model, Bolivia's *campesino* and rural indigenous peoples remained highly marginalized in economic terms. Further, modernization of the agricultural sector in Bolivia, shifting from feudal to modern property systems, left the majority of the rural population landless or near landless. They survived by growing subsistence crops and engaging in seasonal labour on the large agribusiness estates. As in many other countries, rates of poverty, malnutrition, literacy and other indicators actually worsened during the period when the overall economy was growing.

Since the majority of Bolivia's population lives in rural areas, the devastating impacts of landlessness or near landlessness are widespread. Malnutrition and lack of food security are critical issues, for example. The prevalence of health problems and malnutrition in Bolivia is exceptionally high, even in comparison to other underdeveloped countries (Morales, Aguilar, & Calzadilla, 2004). Although under-nutrition rates have declined overall in Bolivia in the last decade, the numbers are still alarmingly high. For example, in the region of Potosi, 49% percent of children were under height for their age in 1998 based on Bolivian Department of Health Surveys.

Morales et al. (2004) showed that under-nutrition in Bolivia is highly related to:

- region with the highlands region having the highest rates;
- ethnicity with *Aymara*, *Quechua* and other indigenous peoples most affected; and
- The rural-urban divide, with rates much higher in rural areas.

These statistics shows the extreme inequities and poverty caused by Bolivia's social and economic structures rooted in the country's position in the global economy and the social structures created during the colonial period (1550s to 1950s) and continued during the modernization period (1950s to about 2000).

4.5. Indigenous peoples as a periphery within a periphery

A small percentage of the Bolivian population, particularly those of Spanish ancestry, has controlled political decision-making, economic structures, and social norms in the country for the last five centuries (Clayton & Conniff, 2005). Descendants of Bolivia's Aboriginal peoples have been marginalized from participating in these spheres, relegated instead to spaces of servitude and impoverishment with little to no access to economic capital, land, or political rights. This historical process has created extreme social, political and economic inequalities along spatialized lines of ethnicity and class. Shifts in power relations have begun to emerge over the last sixty years, moving indigenous people from spaces of marginalization to spaces of participation in social, economic, and political terms. However, the process is far from complete. This section situates indigenous peoples in Bolivia as a periphery within a periphery, and identifies some of the key events that are beginning to move them more toward the centre.

Like other Latin American countries, what is now Bolivia was occupied by indigenous peoples when the Spanish arrived—mainly *Quechua*, *Aymara* and Guarani people. The Inca Empire had conquered the *Aymara* people and ruled large areas from its capital city of Cusco in what is now Peru. Spanish colonizers enslaved indigenous peoples, first in mining and then in the large plantations (*haciendas*) established to supply the mining sector. Resources and riches flowed out of the region to the Crown, in Spain. Large numbers of indigenous peoples died from European diseases and the conditions of slavery. However, in the regions of Beni and Santa Cruz, indigenous peoples continued to live on their traditional lands on the periphery of the Spanish economy, albeit often in Jesuit-founded towns. In the highlands, some independent communities continued to exist, although most were engaged in the market economy to some degree or another. Bolivia was ruled throughout this period by governors appointed by the Spanish Crown.

Interestingly, the pre-colonial socio-spatial form of organizing territories continued to some degree in the Bolivian highlands. The *ayllu* was the basic organizing unit of the pre-colonial Andean society for both *Quechua* and *Aymara* people (Nuñez del Prado, 2009). *Ayllus* are “specific territorial spaces” inhabited by a group of people who are connected by kinship / extended families (Andolina, Radcliffe, & Laurie, 2005, p. 683). These communities manage their internal affairs through a particular leadership and decision-making system.

Located primarily in the Bolivian departments of La Paz, Oruro, and Potosí, *ayllus* can be defined as limited direct democracies. They are direct in that, ‘the communal assembly is the maximum authority,’ which must approve all major decisions, including the selection of leaders. Normatively, such ethnic leaders ‘jilaqatas’ or ‘mallkus’ rise to their positions through lower offices in the cargo system, rotate power at regular intervals, try to reach decisions by consensus, and treat their post as community service (Nuñez del Prado, 2009, p. 125).

These ethno-territorial structures continue, albeit with modifications, to the present day.

Post-independence politics in Bolivia were characterized by an ongoing struggle for power between members of the landholding class, divided between the Conservatives and the Liberals. These two elite groups alternated as the government of Bolivia for almost a century, during which time only landowning men had the right to vote (Van Cott, 2000). The conservatives wished to maintain economic and social relations as they had been for

centuries, whereas liberals were interested in modernizing the country through transforming the *hacienda* system into modern agribusiness with increased productivity in the agricultural and mining sectors (Van Cott, 2000). Although independence from Spain was achieved in 1825, little changed for *campesinos* and indigenous peoples until the MNR came to power in 1951.

4.6. The beginnings of participation (1952-1993)

The National Revolutionary Movement (Movimiento Nacional Revolucionaria-MNR) emerged in the 1940s as a middle-class political coalition with a Marxist/ nationalist orientation. The MNR espoused a populist agenda of reform in favour of the majority *campesino* / indigenous peoples (Van Cott, 2000). The MNR won the 1951 elections, only to be immediately ousted by a military coup. In 1952, the MNR took control of the capital city La Paz by armed force and proceeded to implement a leftist, socialist agenda in the country. One of its major reforms included legislating universal suffrage, giving indigenous peoples the vote for the first time. This is the first event of significance in moving the indigenous majority into the arena of political participation. Second, they began a process of nationalization of the mineral and energy sectors. The MNR seized the commercial ventures of the country's three major tin barons and organized miners into small workers cooperatives.

The MNR engaged in a large project of agrarian reform in favour of *campesinos* (indigenous and *mestizo*) from 1953 to 1964. The intention was to liberate *campesinos* completely from the *latifunda* system by taking land from large landowners and giving title of small plots to landless and near-landless peoples. Although the MNR strategy was partly about social justice, the party's concern was also with increasing agricultural productivity, moving from feudalism to a modern, productive economy (Assies, 2006). It was believed that smaller land holdings would result in more efficient use of land, therefore resulting in increased agricultural production. However, the reform measures of the MNR had mixed results. Much of the eastern part of the country, with the most fertile lands and largest landholdings, remained in the control of large landowners. Only about 45% of eligible people received land title (Clark, 1970). The highlands regions' lands were more successfully redistributed; creating communities of small-scale producers operating

independently from their former “patrons” (Assies, 2006). Nonetheless, the highlands areas are among the least productive in the country, in part due to the poor soil quality and harsh climate, and in part due to a lack of access to financing, tools, or productive inputs. Land redistribution was not accompanied by any investment in infrastructure or policy to create internal linkages. NGOs did try to fill some of these gaps from the 1980s onward by providing credit to rural producers and attempting to link them to markets, but in the absence of infrastructure and supportive macro-policy, these programs have had limited impact. For these reasons, the MNR’s actions have been referred to as “the unfinished revolution” (Hudson & Hanratty, 1989, p. 37). Such reforms can also be understood as supporting the shift of indigenous peoples in rural areas into greater potential for participation in economic activities of their own volition and control.

The MNR was ousted in a military coup in 1964, and for the next two decades Bolivia was governed exclusively by military dictatorships. Throughout this period, the development model was export oriented, and focused on commodities—specifically on tin and cash crops. There were several attempts at social organizing and even a revolution, led by both internal and external forces, during this period. Violent measures were employed to halt any attempts at change, and the leaders of social movements were tortured, disappeared, or fled to exile abroad.

Global structural issues contributed to growing economic problems in Bolivia, culminating in the crash of the tin market in October 1985 (Benton, 1988). Tin was Bolivia’s main export, and the shock sent its economy into a tailspin. Even before the crash, the state mining company was reporting losses for at least five years (Benton, 1988). By the mid-1980s, coca had become the principal source of foreign currency income in the country and a drug mafia with links to the military government had grown strong. Large numbers of peasants turned to coca production as one of their only ways to earn an income. By 1984, Bolivia was suffering the astronomical hyperinflation rates of several thousand percent (Morales & Sachs, 1989).

The period from 1985 to 1993 saw a shift toward increased democracy in Bolivia. Elections were held in 1985, resulting in the first peaceful transfer of power in more than 25 years. Former MNR President Paz Estenssoro headed the new government under a multi-party coalition. The irony of this period is that it was under Estenssoro, former

champion of the people, that some of the harshest SAPs were implemented from 1985-89 (Kofas, 2005). The strategies were conceived in Washington at the headquarters of international lenders like the IMF and World Bank, and were based on neoliberal ideology of 'freeing markets'—i.e., creating conditions for unconstrained foreign investment, export oriented growth, reduction of tariffs and trade protection measures, and cutting government spending and intervention in the market (Van Dijck, 1998). Bolivia followed one of the most orthodox packages—a kind of 'test case' for these strategies. Bolivia's SAP package included public sector wage freezes, public-sector layoffs, currency devaluation, privatization of state services, and subsidy removal on food and fuel resulting in price increases (Van Dijck, 1998; Kofas, 2005).

These spending cuts occurred at a moment when tens of thousands of miners had just lost their jobs due to price drops in the world prices for tin. Ultimately, the impoverished majority was pushed into even worse conditions, and significant migration occurred between regions and from rural to urban areas as people sought ways to maintain their families. *Cocaleros* (coca farmers) grew in size, power and organization during this period as the drug trade became one of the few routes to profit in the countryside.

In 1993, a coalition headed by Gonzalo Sanchez de Lozada (popularly called "Goni") was elected (Van Cott, 2005). In one of the many ironies of Bolivian politics, this coalition called themselves the MNR although their platform was nothing like the Aboriginal party from the 1950s—instead of leftist, social policies, the new MNR espoused neoliberal, privatization and deregulation strategies. Hugo Banzer Suarez took over the presidency in 1997, but Goni then returned to power in 2002 (Van Cott, 2005).

Goni and Banzer both aggressively pursued neoliberal policies, dismantling much of the public sector over a ten-year period. State companies—gas, water, and telecommunications—were privatized and public spending on health and education decreased sharply. Decentralization of central government functions was also a focus of

this period, as cost-saving measure, again based on the recommendations of economists associated with the World Bank.²³

4.7. Moving toward greater participation (1994-2012)

National legislative changes over the last 20 years both reflect the increasing political and economic participation of Bolivia's indigenous peoples and also provide conceptual and legal frameworks within which to continue increasing such participation.

The Bolivian national government and national civil society actors have developed several laws and policies to support the institutionalization of the Social Solidarity Economy (SSE) since 2009. Legislation also exists that supports locally led economic development and bottom-up participation in local decision-making—which in turn should support CED-type processes. This section explores each of these areas of legislation.

4.7.1. Decentralized decision-making

Decentralization in Bolivia was brought about primarily through the Law of Popular Participation (LPP) (1994) and the Law of Decentralized Administration (LDA) (1995). Interestingly, the decentralization process created new opportunities for participation by marginalized peoples in public decision-making, first at the local level, and then at the national level.

The LPP did much more than decentralize some central government functions to the municipal level. It divided the country into 311 municipalities in rural and urban areas, creating 284 new municipalities that did not exist previously (Kohl, 2003a). It required that 20% of the national budget be devolved annually to the municipal level and funds were no longer apportioned as per *ad hoc* political criteria, but rather allocated on a per capita basis (Brohman & Hernandez, 2013). Responsibilities for local health, education, roads, irrigation, and cultural/sports infrastructure were transferred to municipalities (Kohl,

²³ A 1989 policy paper for the Bank presents decentralization as a way to improve the availability and reach of public services and infrastructure by transferring responsibility “for planning, management, and the raising of and allocation of resources from the central government and its agencies to field units of government agencies, subordinate units or levels of government non-governmental private or voluntary organizations” (Rondinelli et al., 1989, pp. 58-59).

2003b). Furthermore, the LPP required the participation of local people in formulating five-year strategic development plans and annual budgets in their municipalities, and in oversight committees to watch over the use of public funds.

This law therefore created processes at the local level for indigenous people, *campesinos*, and other traditionally marginalized groups to participate directly in public decision-making (a shift to spaces of political participation). Indeed, the LPP has been transformative in terms of people's view of themselves as social and political actors, and has created significant leadership and organizing capacity at the local level (Cameron, 2009; Kohl, 2003a). In the implementation phase, significant conflicts emerged at the local level over which organization would gain the right to represent the grassroots. The Confederation of *Campesino* Unions of Bolivia (CSUTCB) claimed this position in the municipalities where it had local branches; in fact, 11,577 *sindicatos* (*campesino* unions) of the CSUTCB lobbied the national government to be recognized as the local representative organization for participating in municipal decision-making (Kohl, 2003a). However, in some highlands areas, leaders of traditional *ayllus* also claimed this role. Prior to the LPP, the two types of organization had existed side by side, with the *sindicatos* representing the communities to the national government, while traditional leaders governed internal issues at the local level (Cameron, 2009). In some municipalities, the CSUTCB ultimately chose to incorporate the traditional organizations into the union structure.

The LPP further resulted in a redistribution of economic resources from the central government to municipalities and from large municipalities to smaller ones. An econometrics analysis of changes in public investment patterns in Bolivia after decentralization found that the three major cities had received 86% of devolved national revenues previously; but afterward received just 27% (Faguet, 2004, p. 869). Since the smaller municipalities also tend to be the sites of majority indigenous and *campesino* populations, this is an indicator of a shift of these peoples toward greater participation in the economic benefits of the country (i.e., economic participation).

Social movements and resistance continued to grow during the Banzer and Goni administrations, with large-scale protests emerging against privatization. One of most well-known of these protests was the organizing against the privatization of water in

Cochabamba in 2000, which forced the government to back down and de-privatize water services (Van Cott, 2005). The second major uprising came toward the end of 2003. Now referred to as the Gas War, the unrest exploded as Goni announced plans to export huge amounts of gas at low prices to the United States (Perreault, 2006). Social organizations and indigenous groups blocked major transportation routes to Peru and Chile, and on multiple occasions blocked the only highway into the capital city La Paz and access to the international airport. The major centre of protest was in El Alto, the indigenous city on the mesa above La Paz, from where protesters virtually cut off the capital from the outside world by blocking the two main roads into the city. The president responded by sending in the army troops who shot at the protestors indiscriminately, killing seventy-one people and injuring four hundred more in October 2003 (Achtenberg, 2013). In the massive outcry that followed, Goni was forced to resign from the presidency and flee the country.

From November 2003 to March 2005, Bolivia experienced a period of tremendous social unrest and political instability, becoming virtually ungovernable (Dangl, 2007). Vice-President Carlos Mesa had succeeded Goni as president, heading a centrist multi-party coalition. Popular demands for land reform, nationalization of gas reserves, and de-privatization of water and electricity services were at an all-time high. During the one and a half years that Mesa was in power, it is estimated that over 800 protests took place (Dangl, 2004), including ones that blockaded access to the capital city and international airport for days at a time. These demands were led by leaders of the indigenous and *campesino* organizations.

Mesa attempted to maintain peace and stability. He took steps toward establishing a Constitutional Assembly to create a new constitution that would address the conflicts. Nevertheless, he did not have enough support to approve this measure, due to partisan politics inside the government. The demands of the traditionally marginalized populations coalesced into support for a newly formed political party — the Movement toward Socialism (MAS). Several researchers find that the participation of indigenous, *campesino*, and cocaleros in municipal-level decision-making due to the LPP was the starting point for their capacities for political organization that ultimately moved them from the local to national level (Amin et al., 2002; Cameron, 2009; Kohl, 2003a). In December 2005, the MAS won the general elections and Evo Morales, a former coca farmer, became the first indigenous-identified president of the country.

The election of the MAS brought people who self-identify as indigenous into the national offices of power—as ministers, as members of the National Assembly, and as the president of the Republic (Van Cott, 2005). The organized social movements that brought the MAS into power—*campesino* unions, indigenous organizations, workers organizations, and women’s groups—continued to be members of the party and to influence policy decisions through their national-level leaders.

The MAS promised and delivered fast action on setting up a Constitutional Assembly with representation from all the major social groups and regions of the country. The Assembly delivered a new Constitution, ratified by a countrywide referendum in February 2009, which seeks to vindicate the traditionally excluded sectors and create a more equitable society. Evo Morales, the *Aymara*-identified president of the country, claims that it is the “first post-colonial constitution in the world” (speech witnessed by the researcher, La Paz, Bolivia, February 2009).

The Constitution enshrines multiple rights of indigenous peoples including the right to self-governance of traditional territories and to traditional forms of organization. The Constitution further recognizes Bolivia as an intercultural society with the values and principles enshrined side by side with Western-based values and principles. For example, Article 306 states that the country’s economic model is based on principles of complementarity, reciprocity, solidarity, redistribution, equality, legal security, sustainability, justice, and transparency. The first four principles are associated with *Aymara* and *Quechua* worldviews and spiritual systems, while the last six principles are associated with the highest standards of Western democracy. *Aymara* and *Quechua* words are scattered throughout the Constitution, such as *Suma Qamaña* which means *Vivir Bien* (To Live Well) (*Constitución de Bolivia*, 2009). *Suma Qamaña* involves 25 principles, including “everyone having enough to live,” “working the land,” “living in harmony with others,” and “living in balance with nature” (Mamani, 2010, para. 2). The inclusion of this concept in the constitution can be understood as recognition of multiple ways of understanding what it is to be developed or to have a good quality of life.

These significant events can all be seen as steps in shifting indigenous peoples into increasing political power—both physically, as they step into national government offices, assemblies, and organizations that influence policy decisions—and institutionally,

as their realities and worldviews are recognized in the highest law of the land. The Constitution in particular represents an opening of space for greater inclusion of the cultures, history, and values of Bolivia's Aboriginal peoples in the mainstream flows of information and decision-making at the national level.

From my field research, I identified two principal pieces of legislation with the potential to support increased participation at local levels: the 2009 Constitution and the 2010 Law of Autonomies and Decentralization (see Table 11 for details).

Table 11: Laws and policies for local decision-making since 2009

Law	Constitution of the Plurinational State of Bolivia	The Law of Autonomies and Decentralization
Year Adopted	2009	2010
Focus	Recognizes and commits to implementing autonomy at the level of Departments, Municipalities, Indigenous Municipalities, and Autonomous Indigenous Aboriginal <i>Campesinos</i> Territories (AIOCs in Spanish)	Establishes processes for Departments, Municipalities, Indigenous Municipalities and AIOCs to prepare Charters for autonomous governance + outlines delegation of powers between levels of government.
Significance / Change	Previously, Departments and Municipalities had some decentralized power for decision-making, along with a guaranteed percentage of the national income, as part of the 1994 Law of Popular Participation and 1995 Law of Decentralized Administration. This law recognizes two new governance categories— Indigenous Municipalities and AIOCs—and shifts focus from 'decentralization' to 'autonomy'.	Establishes that decision on becoming an Autonomous Municipality or AIOC must happen through local referendum and that the Charters and Statutes must be developed through participatory processes with representation of various groups in local areas. Allows, in theory, for local organizations and communities to have decision-making power in local planning including economic development.
Key actors in creating this law / policy	Highly participatory albeit contested process by Assembly representing the various regions; socio-economic and cultural groups of Bolivia with particular clauses proposed by interest groups and stakeholders including NGOs and indigenous organizations.	Ministry of Decentralization in consultation with the five national indigenous organizations and the national organization of municipalities. The law is closely based on Spain's model of autonomous regions.

Together, these two laws create frameworks for bottom-up decision making by communities as a result of increasing the autonomy of municipalities and reaffirming channels for grassroots organizations to participate in municipal budgeting and strategic planning. As such, these laws have the potential to support CED processes as communities take on greater participation in municipal strategic planning and budgetary decisions. The Law of Autonomies also opens up the potential for new configurations of spatial organization through the legal recognition of autonomous regions, municipalities,

and indigenous territories. Indigenous municipalities and territories are given the right to organize and structure their governance in keeping with their own norms and customs. As such, indigenous peoples have increasing rights to autonomy and self-determination within national legislation.

4.7.2. Recognition of the SE and locally-controlled development

The election of the MAS also brought about a change in the model of economic development for Bolivia. The MAS identifies primarily as socialist, with emphasis on state-driven economic growth and redistribution. The MAS moved quickly to nationalize the country’s major natural gas company (Yacimientos Petrolíferos Fiscales Bolivianos-YPFB) just months after being elected. Foreign companies were forced to renegotiate oil concession contracts to include higher royalties and higher gas reserves for national consumption. However, the MAS are not exclusively promoting state enterprises. The constitution recognizes a plural economic model, “made up of community, state, private and social forms of economic organization” (Article 306). The Constitution further states that the government will “recognize, respect, protect and promote the community economic organizations that are...founded in the principles and visions of the indigenous people and nations and *campesinos*” (Article 307). This statement, among others, shows an intention to not only recognize these forms of economy, but to actively promote them.

From my field research, I identified four national level legislative changes that seek to support SSE development. Table 12 shows these four laws or policies, the focus of each, and the actors who were instrumental in developing its content.

Table 12: SSE Legislation and Policies since 2009

Name of Law / Policy	Constitution Plurinational Republic of Bolivia	Plurinational Strategy on the SoLE and Fair Trade	Law of Community Agricultural Reform-(LCAR)	Law of OECAS and OECOMs
Year	2009	2010	2011	2013
Focus	Recognizes, commits to support Plural Economy including ‘social cooperative and community forms of economic organization’	Outlines policy to develop SoLE and fair trade	Defines SE and Community Economy as part of ancestral practices of indigenous peoples	Differentiates between two forms of SSE organizations, OECAs and OECOMs

Name of Law / Policy	Constitution Plurinational Republic of Bolivia	Plurinational Strategy on the SoIE and Fair Trade	Law of Community Agricultural Reform-(LCAR)	Law of OECAS and OECOMs
Key actors in creating this law / policy	National Assembly representing the various regions; socio-economic and cultural groups of Bolivia	MESyCJ + Vice-Minister in the Ministry of Productive Development and the Plural Economy (MDPEP)	Five national indigenous organizations + MDPEP + Ministry of Rural Development and Land	Five national indigenous organizations + MDPEP + national Afro-Bolivian association + Coordinating Body of Indigenous Aboriginal <i>Campesino</i> Economic Organizations (CIOEC)

Each law has a particular significance in terms of changing the national framework for the SSE:

- The Constitution:** Previous national policy recognized only the private and public sector as part of the economy. This document officially recognizes plurinational values for development and social / community forms of economic organization. For example, affirms that the Community Economy is a traditional indigenous practice based on principles of solidarity, equity, and reciprocity with goal of collective well-being ('Vivir Bien')
- Strategy on SoIE and Fair Trade:** Commits the government to developing a law for approval by the national government; creation of a Vice-Ministry of Solidarity Economy and Fair Trade; creation of a national development bank for the SoIE; creation of various micro-financing mechanisms by the state; creating a SoIE Currency and Time Bank (alternative currency); Technical support for developing green and appropriate technologies; creation of a system for accreditation of fair trade, solidarity-based and eco-products along with branding and marketing processes; and a Registry of Fair Trade and ecologically-friendly producers.
- LCAR:** Sets out to support small-scale producers with policies, technical support, financing to increase their food security and channels for processing and commercialization. Recognizes a new form of socio-economic organization called Community Economic Organizations (OECOM in Spanish) and that indigenous / *campesino* / Aboriginal / Afro-Bolivian communities can operate as an OECOM. Also guarantees participation of indigenous / *campesino* / Aboriginal / Afro-Bolivian peoples in decision-making for sustainable resource management. Recognizes the

capacity of indigenous peoples and Afro-Bolivians to take full responsibility for their own territorial management.

- **Law of OECAs and OECOMs:** Recognizes another new form of socio-economic organization called Aboriginal, Indigenous, Campesino Economic Organizations (OECAs in Spanish) and distinguishes between OECAs and OECOMs. OECOMs are organized by and for communities and may or may not be legally constituted. They are founded in the Community Economy and may produce to satisfy basic needs of families. OECAs are legally registered entities made up of families of small producers who identify as indigenous, Aboriginal, Afro-Bolivians, or *campesinos*.

However, approval of laws does not signify that laws are effectively or extensively implemented. The implementation of these laws and their actual and potential impacts on strengthening the SSE and CED are explored in Chapter 7.

Chapter 5. The SE in Bolivia: Conceptualization and Practice

5.1. Aims, scope, and organization of the chapter

This chapter seeks to explore the first research sub-question, namely, how the SE is being conceptualized and implemented by various actors in Bolivia, including the central government, civil society organizations, and members of rural indigenous communities. This chapter centres on introducing and describing the main characteristics of the three case study communities and how they are organizing economically to improve their individual and collective well-being. The first part of the chapter explores how the central government and relevant national civil society organizations understand the concept of SE to provide context for the case studies. The second part introduces the three case study initiatives in terms of their socio-spatial contexts, organizational structures, and existence or not of traditional economic practices. The third part of the chapter analyzes the main findings, in particular identifying the SE and CED characteristics and typologies of each of the three case study initiatives.

5.2. National level conceptualization of the SE

Interviews with national level governmental and civil society actors revealed several interesting facts of the conceptualization of the SE in the Bolivian context. Indeed, it came evident that the Bolivian understanding of the SE differs from the English-language literature, referring to North America and the UK, in five key ways. Each of these five differences is explored in detail below.

5.2.1. *Indigeneity and the Community Economy*

A particularity of the Bolivian context is the conceptual link between the SE and recovery or reaffirmation of indigenous ancestral practices. Specifically, the SE in Bolivia includes the idea of the Community Economy—understood as ‘traditional economy’ or economic activity based on the values of reciprocity and collective ways of organizing that are associated with indigeneity.

As mentioned in the introductory chapter, the Bolivian Constitution of 2009 recognizes both the SE and the Community Economy, and classifies these together as economic forms that support collective, rather than individual, well-being:

The Bolivian economic model is plural and is oriented to improving the quality of life and “well-being” of all Bolivians. The plural economy is made up of **community, state, private and social cooperative forms of economic organization**. The plural economy articulates various forms of economic organization based on the principles of complementarity, reciprocity, solidarity, redistribution, equality, legal security, sustainability, justice and transparency. The community and social economy complement individual interests with those of collective well-being (*Constitution of the Plurinational State of Bolivia*, Article 306, author translation).

Among the national actors interviewed for this thesis, there appears to be a relatively cohesive idea of the *community form of economic organization* (or Community Economy). All interviewees referred to two kinds of economic activity that have a historical base in pre-colonial Andes among the *Quechua* and *Aymara* peoples: *trueque* and *ayni*. Trueque is seasonal, non-monetary trading between highlands and valley peoples. Ayni means reciprocity—instead of an individual purchasing goods, services or labour, people help each other with the expectation of receiving help in turn.

A Vice-Minister from the Ministry of Productive Development and the Plural Economy (MDPEP) described the Community Economy in this way:

For me, it is how we organized historically and to not break with these forms. Trueque, *ayni*, and working together—this is the Community Economy (national interviewee 1, 2011).

Similarly, a national government official who works on promoting the SolE stated that, “the Community Economy involves *ayni* and *trueque*” (national interviewee 3, 2011). The leader of a national organization of indigenous women’s organization explained that the Community Economy includes *trueque* (non-monetary exchange) and *ayni* (*reciprocity*) (national interviewee 4, 2011).

It is evident that this understanding of Community Economy relates to recognition or recovery of ancestral practices of Bolivia’s indigenous people—specifically *ayni* and *trueque*. Indeed, one interviewee specifically stated: “the Community Economy is based

on ancestral knowledge of indigenous peoples and is based in what they did in the past,” (national interviewee 2, 2011). The Constitution likewise conceptually links the Community Economy and indigeneity:

The State will recognize, respect, protect and promote the Community Economy. This form of organization includes the systems of production and reproduction of social life, founded in the principles and visions of the indigenous Aboriginal nations and people (*Constitution of the Plurinational State of Bolivia*, Article 307, author translation).

The recovery or regeneration of ancestral ways links **to processes of decolonization**, of basing future steps on a foundation of past values and practices.

A key characteristic of the SE—**collective orientation**—is also evident in these descriptions of the Community Economy. Another interesting point about this conceptualization is that the Community Economy in these descriptions is **non-monetary**. Goods and services flow between people and places through informal and mutually negotiated perceptions of value. A certain amount of quinoa is seen to equal a certain amount of mangoes in trade between highlands and valleys. A certain amount of time spent in helping to harvest one community member’s potato crop is equal to a relatively equivalent amount of time spent in helping to plant another community member’s quinoa field.

However, there were diverging opinions on the continuing importance of the Community Economy practices. The Vice-Minister believes that the strategies for development should be based on what people are currently doing in each place, and not on trying to recover something from the past:

In Chuquisaca they do *trueque* in the countryside, the cocaleros²⁴ in Coroico use *ayni* still, but they do not any more in Yanacahi, for example, where individual families work together or they contract people for money [to do agricultural work]. We are not going to force the people in Yanacahi to go back to *ayni* (national interviewee 1, 2011).

By contrast, the director of the indigenous women’s organization thought that it was very important to recover and strengthen the ancestral economic practices, as a basis

²⁴ Cocaleros is the term used in Bolivia for coca farmers. Coca is the plant used for manufacturing cocaine, but it is also the sacred plant of the *Aymara* and *Quechua* people.

for empowerment and decolonization of indigenous women (national interviewee 4, 2011). Another view, held by the person responsible for implementing SoIE policy in the national government, is that the Community Economy is limited as to what it can accomplish in and of itself: its small scale and scope supports only a subsistence level way of life. Nonetheless, he believes that “the Community Economy ...can be a base for the Solidarity Economy” (national interviewee 2, 2011). In other words, the fact that these kinds of values and practices exist in Bolivia creates a kind of culture for solidarity-based, but market-oriented, economic activities.

The Vice-Minister agrees: “Culture affects how cooperatives and associations operate and how they organize internally” (national interviewee 1, 2011). Practices of reciprocity and collective orientation have played a strong role in facilitating the emergence of the multitude of producer associations that exist across the country, he believes. At the same time, he added, “economic growth is not a traditional *Aymara* goal” and this creates an ongoing tension within and between organizations or communities about their vision for development (national interviewee 1, 2011).

5.2.2. Solidarity

Across Latin America, there is a greater tendency to use the term ‘Solidarity Economy’ than ‘Social Economy’ as described in Chapter 2.

Prior to the field research in Bolivia, it appeared that this country might be utilizing an idea closer to the general understanding of ‘Social Economy’, given the phrasing in the Constitution. In reality, the national actors interviewed for this study were more familiar with the concept of ‘Solidarity Economy’ and did not have a ready definition of the term ‘Social Economy’ when asked. For example, the MESyCJ, the national network that seeks to represent this sector, is called the Movement of the *Solidarity Economy* and Fair Trade. The MESyCJ president stated that the SE is the same thing as the SoIE—one is the term used in Bolivia and the other in Europe and Canada. However, the network’s official definition of SoIE emphasizes small producers working together to improve their quality of life:

The Solidarity Economy is a new current and model of the economy that strives to recover the ethnical and human dimension in economic

relations, establishing new principles and alternative economic models, to contribute to recognizing the quality of life of small productions that are in a position of socio-economic disadvantage (MESyCJ, 2008).

This definition encompasses only the collective actions of small producers for mutual advantage, and does not incorporate the broader conceptualization of the SE as all activities that are not strictly private or public. Likewise, a vice-minister said that the Social Cooperative Economy, as per the phrasing in the Constitution, is the *associative economy*—small producers or microenterprises forming organizations or associative activities (national interviewee 1, 2011). His definition once again compares to the literature on the SoIE, with its emphasis on collectivism and mutualism. The person responsible for promoting this section of the constitution, within the national government, said that he is responsible for promoting the ‘Solidarity Economy’ and Fair Trade. The leader of the women’s indigenous organization referred also to their focus on promoting the SoIE which she defined as:

...women in associations managing their economic activities together. As their capital grows, it is distributed equitably among the group members (national interviewee 4, 2011).

In summary, all of the national actors that were interviewed emphasized the ‘solidarity / mutual benefit’ and ‘associative’ dimensions of the SE, and used the term ‘Solidarity Economy’ more comfortably than the term ‘Social Economy’. These results align with the literature on Latin America, showing an overall tendency to a particular way of understanding and practicing SE in that part of the world that differs from Anglophone contexts. Interestingly, as mentioned previously, Francophone and Spanish / Basque contexts also tend to emphasize the ideas and terminology associated with the SoIE.

5.2.3. *Alternative to capitalism*

In the Global North, a tension exists between researchers and practitioners who view the SSE and CED as means to transform the capitalist economic model and those who understand them simply as ways to adjust the existing system toward improved equity. This tension is often framed as the *Transformative vs. Gap-Filling* debate (Simms, 2010). Advocates of the transformative view cite the potential of CED and the SSE for re-organizing societal decision-making and economic relations in new ways that resolve

issues of social inequities (gender, class, ethnicity-based) and the externalization of environmental impacts that are inherent to capitalism (Lewis, 2007; Newhouse, 2006; Shragge & Toye, 2006). On the other hand, the 'gap-filling' view holds that these approaches fill in spaces left between public and private sector activities, helping to re-distribute wealth between individuals and regions in more equitable ways (Lionais & Johnstone, 2010; Loxley, 2007).

In Latin America, there is a firm tendency to understand the Social or SoIE in opposition to American-style capitalism—as part of larger movements of rejecting development models imposed by Western / Northern powers. For example, the founding charter of the Latin American branch of RIPESS clearly declares the SoIE as standing in opposition to dominant economic models:

Recognizing that we are under the hegemony of a development model which, in the South as in the North, has proven its limitations and produces destruction of the planet, poverty, social and political exclusion, marginalization of many people, unemployment, does not recognize human activities that are indispensable for society, and threatens the future of human life; as such, and as a response to this situation, we have committed to a process of constructing solidarity-based development which questions the idea that the satisfaction of human needs is reduced to dependence on the savage competition of the marketplace and their supposed "natural laws" (RIPESS Charter, 1997, author translation).

The charter goes on to emphasize that the SoIE is about a new way of organizing society in economic, political, and social terms:

The Solidarity Economy incorporates cooperation, sharing and collective action, putting the human being at the centre of social and economic development. Solidarity in the economy involves economic, political and social change, which brings about a new way of doing politics and constructs human relations based on consensus and citizen action (RIPESS Charter, 1997, author translation).

National level actors in Bolivia articulated a similar understanding of the SoIE—that it is an alternative form of economic organization—in presentations made in a Forum on the Solidarity Economy held in La Paz in 2011:

[The Solidarity Economy] is a new *alternative for economic development* that includes human development, the environment, ethical labour, and

in which principles of solidarity predominate (presenter from the Bolivian national government, 2011)

The Solidarity Economy is initiatives that provide an *alternative to capitalism*. [It is] cooperatives and associations that come together to seek economic, social and cultural alternatives. [It is] artisans using technologies and methods based on ancestral knowledge (presentation by a representative of El Ceibo, 2011).²⁵

The Solidarity Economy is a new approach and model of the economy that ... establishes new principles and *alternative economic models* (presentation by a representative of the MESyCJ, 2011).

The tendency to emphasize the alternative-to-capitalism dimension of the SSE in Latin America can be understood to emerge from two principal influences. First, as a push back against the economic and political domination of the USA, expressed as opposition to neoliberalism and imperialism. As such, it is part of an attempted process of decoupling from the influence and domination of core countries. Second, as linked into neo-Marxist and socialist ideas about the inherent contradictions of capitalism that create injustice and inequality, and a search for alternative 'leftist' economic models. The SolE emerges within these larger tendencies as a way of organizing that is *alternative* (revolutionary, post-capitalist) and/or a means to recovering ancestral knowledge and values (part of postcolonialism or decolonization processes).

The 'alternative to capitalism' conceptualization closely mirrors the Basque understanding. As a region with a distinct identity from the rest of Spain, and the site of some of the most successful cooperatives in the world, the Basque region is a breeding ground for significant theory and practices of Solidarity Economy. A recent article written by the director of the Basque network for the Solidarity Economy similarly affirms the alternative-to-capitalism conceptualization:

Historically, there have been many experiences, social movements, and academic currents that have recognized as part of this other way of understanding and organizing the economy based on criteria related to social justice, and in this way in counter-positioned to the inequalities and set of harmful consequences produced by the functioning of the

²⁵ El Ceibo is a Bolivian cooperative made up of 1200 small-scale agricultural producers, which exports high quality fair trade chocolate products. This quote is from a presentation by an El Ceibo board member at a forum I attended in La Paz, Bolivia on August 25, 2011. Their website can be found at www.elceibo.org

capitalist system. An important part of these alternative practices have been recognized since the end of the 19th Century, with the birth of cooperativism and mutualism, under the concept of Social Economy (Askunze, 2013, p. 5).

This same Basque network is supporting spaces for learning about and expanding the SSE in Bolivia—through funding for conferences; university-based training programs; and community-based initiatives—indicating an interesting flow of information between a resistance and independence movement in Europe with counterparts in Latin America.

5.2.4. Types of organizations

The field research for this dissertation showed ample evidence that the SSE, as understood in Bolivia, does not include non-governmental organizations (NGOs) or what is often referred to as the ‘voluntary sector’ in the English-speaking part of the world. Nor are ‘social enterprises’ or ‘social entrepreneurship’ understood as part of this sphere of activity. As already discussed, the perception seems to be that the Social or Solidarity Economy includes only *associative* type entities—that is, entities in which people group together to develop an economic activity for their collective benefit.

For example, when asked “What is the Social Cooperative Economy?”, the Vice-Minister replied that it is about producing or selling through association—and that this therefore includes *ayllus* (communities) and *sindicatos* (*campesino* unions) in rural areas, and micro-enterprises organized street by street in the city (national interviewee 1, 2011). This definition conforms to the Ecuadorian government’s definition of the Solidarity and Popular Economy, in which the popular or informal sector is included alongside associative or collective enterprises. In another way, this can be understood to include any self-generated economic or associative activity—or what is often described as ‘self-employment’.

From interviews with staff members of Bolivian NGOs for this field research, and my experiences working with a national network of NGOs in Bolivia from 2003-2010, there is evidence that NGO actors do not consider themselves to be part of the SE. Rather, they include themselves in the ‘Private Sector’—as not-for-profit organizations that are autonomous from the State or Public Sector. The emphasis they place is on their autonomy—that is, separation from and ability to act without direction from the State—and

their identification with the private sphere of economy activity thus relates to this identity, rather than identification with for-profit businesses.

The model that has emerged in North America, in which an NGO runs a social enterprise, using market mechanisms to achieve social goals, is likewise not evident in the Bolivian context. I specifically asked several of the interviewees in the national government or NGO sector if this model exists in Bolivia, and they all confirmed that they had never seen or heard of such an occurrence. The idea of an individual ‘social entrepreneur’ setting up a ‘social enterprise’ was an idea treated with something akin to suspicion when I mentioned it to various people interviewed for this dissertation. There seemed to be a general distrust of the idea that an individual could serve a collective good with a for-profit enterprise.

This differentiated view of what kinds of organizations or enterprises are considered part of the SE is evidence of the place-based specificity of conceptualization and practice in the Bolivian context. Furthermore, this could be understood of further evidence of the de-linking of the SE from capitalism—conceptually—in the Bolivian context. Social enterprises, whether initiated by an individual or an NGO, are attempts to engage within a capitalist economy rather than to create an alternative structure of economic organization. On the other hand, it may simply be that the idea of social enterprises has not yet spread to South America—in which case it will be interesting to observe how the idea and models of social enterprise emerge in this context over the coming decade or so.

5.2.5. *Institutionalization*

The research shows more attempts to institutionalize the SSE in South America, through government legislation, than in North America or the UK. For the purposes of brevity, this dissertation will not enter into a detailed list of laws or policies related to the SSE in the countries of the Global North. Suffice it to say that the SSE is not mentioned in any Constitution or Acts by the national governments in North America or the UK.²⁶ There are some actions to incorporate new forms of enterprise into law in North America

²⁶ The HRSDC did mention the Social Economy as a potential sector for generating employment in Canada from 2006-2007 but this term no longer appears on their website.

and the UK, mainly into tax law such that enterprises with a social purpose are not subject to the same rules as traditional businesses. For example, in British Columbia, the BC Business Corporations Act was amended in May 2012 to include 'Community Contribution Companies' as a distinct category with different tax rules—comparable to the UK's Community Interest Company (Centre for Social Enterprise, 2012).

However, in South America, legislation related to the SSE is being enacted at national scales and with recognition of the unique socio-economic role played by SSE enterprises and organizations. Coraggio (2013) wrote a thorough overview of the actions taken in five countries toward institutionalization of the SSE. The following is a summary of the key actions in Brazil, Argentina, Venezuela, Ecuador, and Bolivia:

- **Bolivia:** There have been many attempts to promote this form of economic organization through institutional and regulatory reforms since the election of the MAS in 2006, as outlined above.
- **Brazil:** the State created various institutional spaces for dialogue and policy construction with participation by SoIE enterprises, civil society (NGOs or academics), and government including the Foro Brasileño de Economía Solidaria (FBES) in 2001 and the Consejo Nacional de Economía Solidaria (CNES) in 2004.
- **Argentina:** in 2003, the State adopted the Plan Nacional de Desarrollo Local y Economía Social that focuses on associative, self-managed enterprises to be supported with funding and technical support. Also created the Instituto Nacional de Asociativismo y Economía Social (INAES) within their Ministry of Social Development and in 2011 enacted a Bankruptcy Law that allows access to credit for workers to recover (take ownership of) companies that have gone bankrupt.
- **Venezuela:** This case is different from the others, in that the State ultimately moved to a Socialist, state-dominant economic model. However, Coraggio (2013) shows that after the election of Chavez in 1998, the country first promoted several kinds of economic organization that are part of the SE or SoIE, such as associative enterprises and family-based micro-enterprise. These associative enterprises are recognized in the Constitution as an important strategic element of the economic development of the country. Chavez conceptually linked the social or SoIE with a shift to socialism—as part of a different economic system and a way to empower the proletariat or popular classes (Coraggio, 2013, p. 99).

- **Ecuador:** Like Bolivia, this country recently underwent a process of writing a new Constitution, with participation by social movements and civil society organizations. The resulting 2008 Constitution recognizes multiple forms of economic organization: public and private; mixed; family; community; associative and cooperative (Article 283). They created an Institute for the Popular and Solidarity Economy within the national government and in 2011 adopted a law with the same name. The National Plan for Living Well (Bien Vivir) also incorporates the Popular and Solidarity Economy as an important strategic focus.

One reason for the emphasis on institutionalizing the SSE in these five countries in the last decade or so is part of Latin America's so-called 'Turn to the Left' which began with the election of Hugo Chavez in Venezuela in 1998 and culminated in the election of Evo Morales in Bolivia in 2006.²⁷ The leftist coalition governments emerged out of social movements that coalesced around issues such as SAPs and other neoliberal policies (especially privatization of public services) that were broadly implemented in the region in the 1980s and 1990s. Coraggio (2013) argues that the emphasis on the SSE in South America is a result of the high poverty rates in the region, combined with the presence of a large informal or popular sectors in rural and urban areas.

It is also important to recognize that these States have emerged recently into greater autonomy only since the turn of the 21st Century, as their global economic position has improved. As global prices rose for resources such as petroleum and natural gas, these countries have been able to capture a significant income in royalties, bringing down their level of external debt (Coraggio, 2013). For example, as shown in Figure 6, Bolivia's income from natural gas showed a substantial increase of 73% between 2005 and 2009 (from 6.905 million Bs. to 11.955 million Bs.) (Hernandez, Saric, Brohman, & Gallegos, 2012). The jump in income is due to the improved market prices as well as the Hydrocarbons Law of 2006, which increased government royalties from 50% to 82% in large operations (Decree 28701, 2006, Article 4). Increases in taxes on income and

²⁷ The leaders associated with the Turn to the Left include Hugo Chavez in Venezuela (first elected in 1998); Lula de Silva in Brazil (elected 2003); Rafael Correa in Ecuador (elected 2006); and Evo Morales in Bolivia (elected 2006).

financial transactions further increased the Bolivian government's annual income (Hernandez et al., 2012).

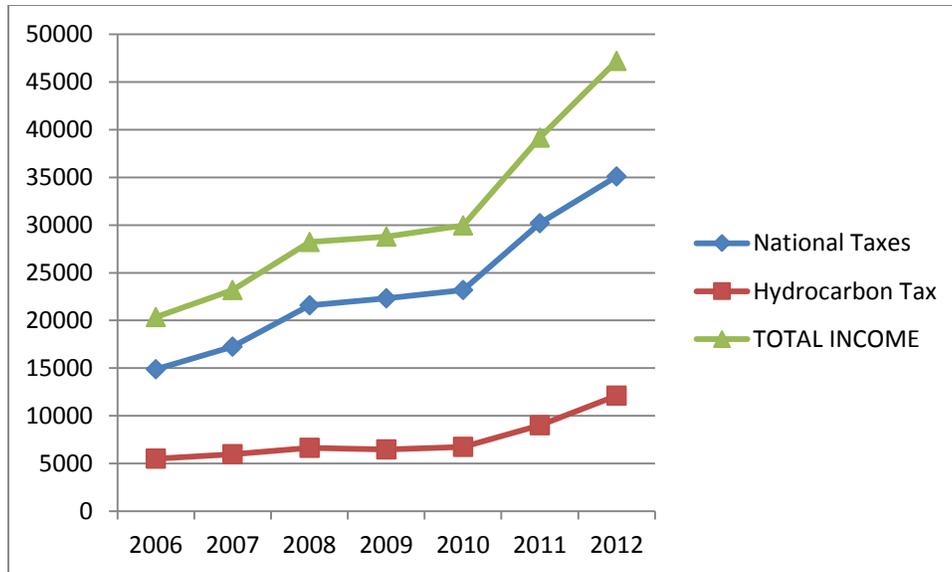


Figure 6: Bolivian national income change 2005-2009

Source: Original table based on statistics from the Bolivian Ministry of Economy and Public Finance (2013)

By 2010, Bolivia had achieved “balanced fiscal accounts” and its external accounts were in surplus (Hernandez, et al, 2012). Unlike the case of Argentina, where their reduction in external indebtedness was due to a decision to default on IMF loans, Bolivia’s reduction in indebtedness related to macro-economic growth. Bolivia also benefitted from an IMF policy to forgive a portion of the debt of Highly Indebted Countries (HICs) starting in 2006 (International Monetary Fund, 2015). In any case, these countries are now enjoying a new degree of autonomy that has allowed them to pursue policies that contravene the neoliberal approach promoted by international financial institutions under the influence of the US.

The processes and policies for the institutionalization of the SSE in the region are distinct between countries. The State’s objectives in promoting the SSE also differ between places. According to Coraggio (2013), the State in Brazil and Argentina view the SSE as a strategy for employment generation whereas in the case of Bolivia, the promotion of the SSE at the national level is linked with a pro-socialist, anti-colonial and pro-indigenous discourse—as an alternative mode of organizing economics and society.

5.3. At the local level: Presenting the three case studies

This section presents the three case studies of how the SE manifests at local levels in rural indigenous highlands and highland valley communities. The three case study initiatives are:

- The **Chañojagua agricultural co-op**—a non-commercial associative organization that provides supplementary, low-cost food for members and their families
- The **Churicana artisanal association**—is small-scale community-based association that creates hand-made weavings for sale to tourists in a local marketplace
- The **Tomina oregano co-op**—is larger than the other two cases in its production levels and number of members, and produces *high quality oregano for export* to Brazil

First, the socio-spatial contexts of the case study communities are explored in terms of geographic location, local economy characteristics, population size, types of physical infrastructure, and indigenous identity. Next, the three economic initiatives are described in terms of their organizational structures, distribution of benefits, goals, and existence or not of Community Economy practices.

5.3.1. *Setting the scene*

Bolivia has nine departments, which are regional territorial divisions, equivalent to a province in Canada or a state in the USA. Each department is sub-divided into several municipalities that are urban or rural; the rural municipalities generally incorporate a town and its surrounding non-urban settlements. Figure 7 shows the location of the three case studies within the departmental territorial framework. Chañojagua is in the Department of La Paz; Churicana and Tomina are in the Department of Chuquisaca.

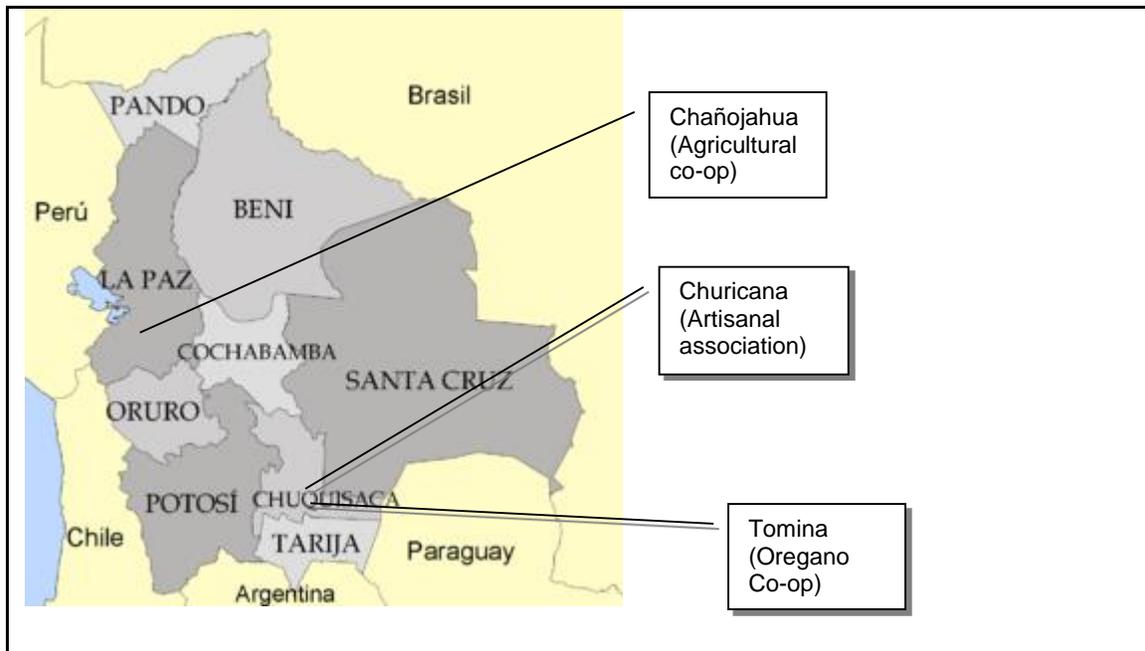


Figure 7: Location of the three cases

Source: https://commons.wikimedia.org/wiki/File%3ABolivia_Departamentos_con_nombres.png
 By Ruditaly (Own work) [CC BY-SA 3.0 (<http://creativecommons.org/licenses/by-sa/3.0/>)], via Wikimedia Commons, specific locations of communities by the author.

Table 13 shows the comparative geographic location and population size of the case study communities. The table demonstrates that all three can be considered rural, but represent different degrees of remoteness and accessibility in relation to urban centres and transportation routes. All are located at high altitudes within the Andean mountain range; however, they vary from high valley to high mesa topographies. Finally, they differ in size of population, from 320 to 6000 people.

Table 13: Comparative location and population

	Chañojahuá agricultural co-op	Churicana artisanal association	Tomina oregano co-op
Municipality	Viacha	Tarabuco	Tomina
Department	La Paz	Chuquisaca	Chuquisaca
Degree of remoteness	Semi-rural	Highly rural (remote)	Rural
Altitude	3900 m	2900 m	2300 m
Geographical zone	highlands	highlands	sub-tropical valley
Population size	404	320	6000

CHANOJAHUA is a rural community located in the Municipality of Viacha in the Department of La Paz. The Municipality of Viacha is comprised of six urban districts and one rural district, with a population distribution of about 57 percent urban and 43 percent rural (see Table 14). The six urban districts include the Town of Viacha and several neighbourhoods that stretch along the highway toward the city of El Alto, acting as suburbs to that city. District 3 encompasses all of the rural areas of the municipality, including Chañojahuá. The rural population of about 23,600 people is distributed between 64 communities (Gobierno Autónomo Municipio de Viacha, 2012), such that each rural community averages about 360 people (90-100 families). Chañojahuá is made up of 119 families (Gobierno Autónomo Municipio de Viacha, 2012) and therefore close to the average size for District 3.

Table 14: Population of Viacha

Population	2011 (projection)	
	<i>Number</i>	<i>Percent</i>
Rural	23.673	43%
Urban	31.886	57%
Total	55.559	100%

Source: Bolivian National Institute of Statistics, 2008.

Chañojahuá is approximately 30 minutes by car from the Town of Viacha (population 5000), about one hour and fifteen minutes from El Alto (population 1 million), and just under two hours to the capital city of La Paz (population 800,000). Due to the relative closeness of these three urban centres, I have classified it as 'semi-rural' for the purposes of this thesis. Figure 8 shows the location of Chañojahuá within the municipal area, and in relation to the Town of Viacha.

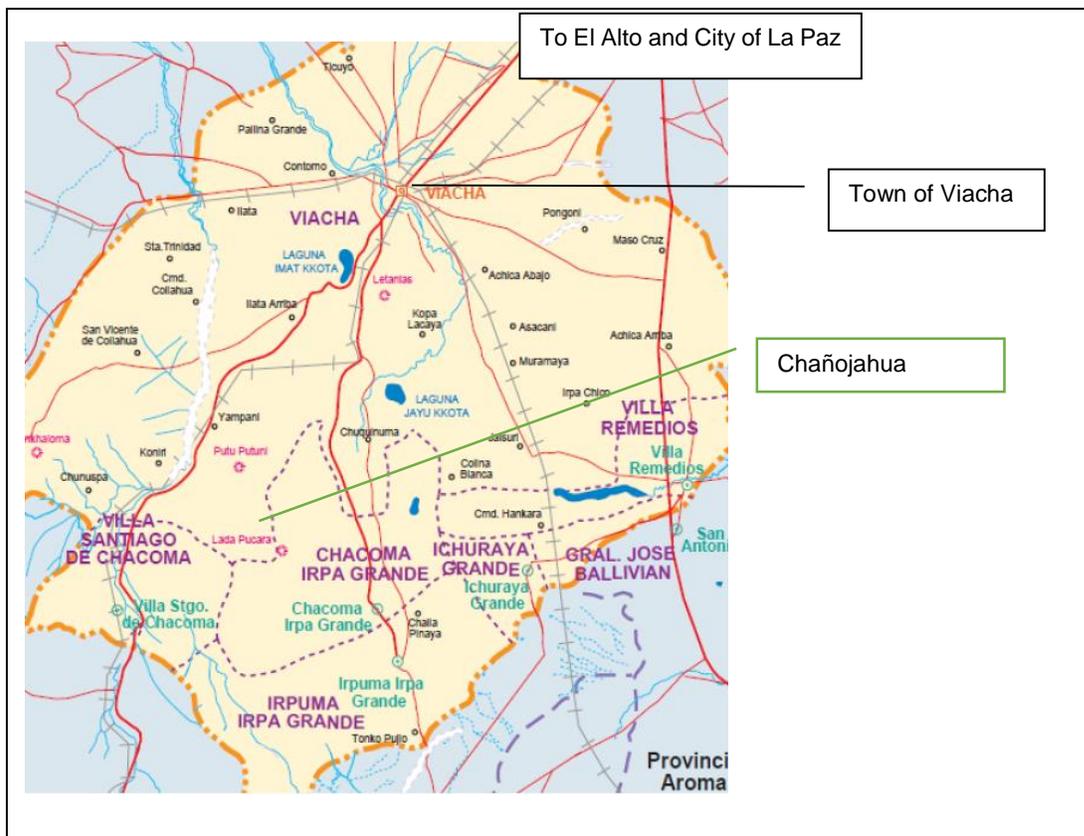


Figure 8: Location of Chañojahua

Source: Municipality of Viacha, draft 5-year municipal development plan, 2012-2017. Reproduced in accordance with Bolivian government guidelines.

The community is located in an extremely arid, mesa plateau of the Andean mountain range, at an altitude of more than 3800 metres. As such, it is a challenging environment for human, plant and animal life. Located well above the tree line, only hardy livestock such as sheep and llamas can adapt; and crops are limited to quinoa, potatoes and a few other products that can withstand cold and dry conditions. The dirt road to Chañojahua from the town of Viacha is full of holes and troughs. In the rainy season, it often becomes almost impassable. The community infrastructure is limited to a central gathering space with three public buildings—a church, a community centre, and a small school. Electricity has reached the community, but is limited to the public buildings in the central area. Potable water for households is obtained from wells, and there are no irrigation systems for agricultural production. Indeed, the Viacha municipal development plan indicates that just 42 families in the community currently have direct access to potable water, which is just one-third of the people (Gobierno Autónomo Municipio de Viacha,

2012). Lack of access to clean water is likely a factor in the high incidence of infant mortality. Although statistics are not available for individual communities, the infant mortality rate for Viacha as a whole is 56 per 1000 births (Instituto Nacional de Estadística, 2008). This is higher than the national average of 40 per 1000, which already puts Bolivia at position 135 in the world for infant mortality (United Nations Development Programme, 2013).

The economic activities in the community involve subsistence agriculture and small-scale herding. There are no stores, restaurants, market stalls, or processing facilities. However, Chañojahuá is close to the Town of Viacha with its population of 5000 and a relatively dynamic local economy fueled by a large private cement processing plant and a brick-making industry. The cement company, SOBOCE, employs 350 people directly and 2000 more indirectly (Gobierno Autónomo de Viacha, 2012). Chañojahuá is also relatively close to the large cities of El Alto and La Paz. Not surprisingly, many of the community members have migrated to these larger urban areas, where they generate an income in the informal sector or by formal employment. In fact, community members state that only young children and older people live in the Chañojahuá on a continuous basis, about 60 people in total. The rest visit the community only on weekends or for special occasions. Viacha's municipal development plan indicates that only 36 children currently attend the elementary school in Chañojahuá (Gobierno Autónomo de Viacha, 2012). Community members indicated that once children finish primary school, children generally move to Viacha or El Alto to work or continue their schooling. Out-migration has therefore changed the community dramatically. Significant flows of people between the community, the town, and the city are evident; however, there is little visible evidence of investment flowing back into the community, for example, into housing and infrastructure upgrades or agricultural equipment.

CHURICANA is a remote rural community in the Municipality of Tarabuco, in the Department of Chuquisaca in South-Central Bolivia. It is located about 2.5 hours by car from the City of Sucre. The Municipality of Tarabuco has four districts, one of which is urban (the town of Tarabuco); and three of which are rural districts composed of 72 communities. Ninety-two percent of the population lives in rural areas, approximately 27,000 people (Instituto Nacional de Estadística, 2001). As such, there is an average of 377 people per rural community (90-100 families), similar in size to the rural communities

of Viacha. Members of the artisanal co-op in Churicana indicated that about 80 families live in their community (about 320 people). Figure 9 shows the community's location within the municipal area Tarabuco and in relation to the Town of Tarabuco.

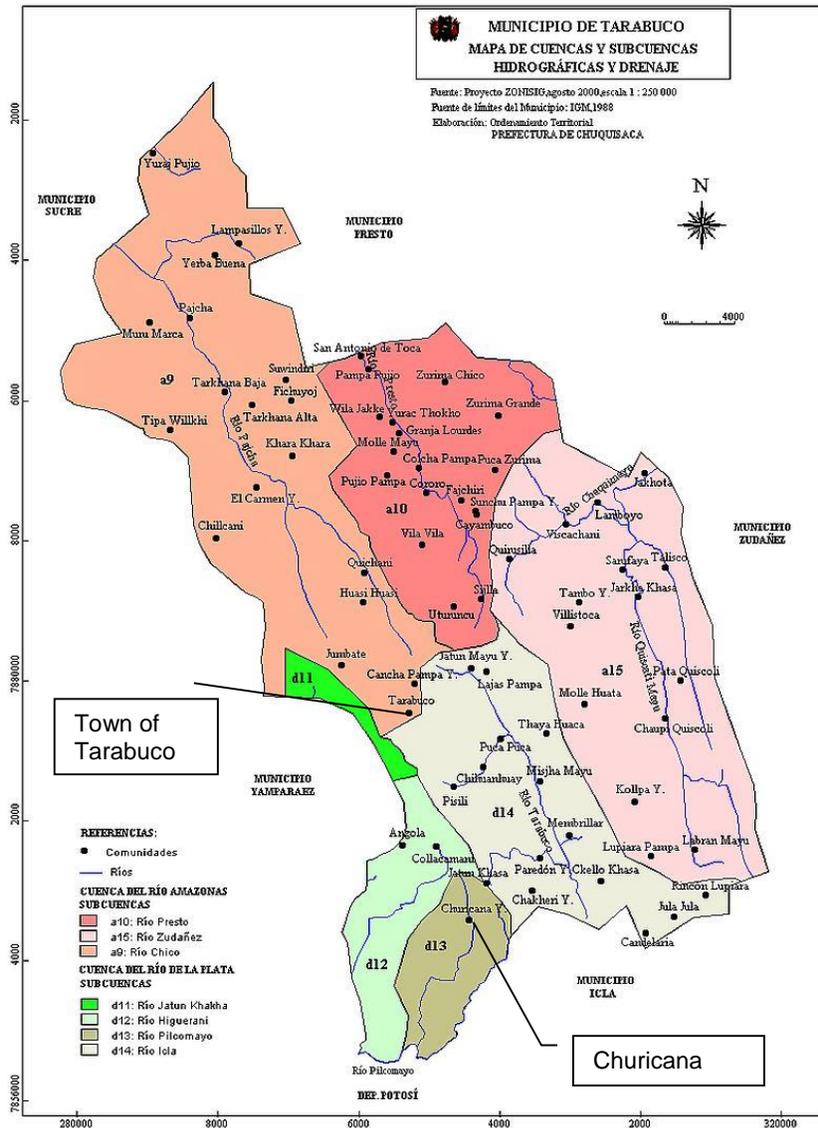


Figure 9: Location of Churicana

Source: Tarabuco Municipal Development Plan, 2007-2012, Map No. 16. Reproduced in accordance with Bolivian government guidelines.

Churicana is located in a very arid and difficult environment for agriculture. The annual precipitation is just over 500 mm; most of the rainfall is in January and February, while there may be little to no rain from May to August (World Weather, 2012). The

Association members revealed in a group interview that there is less and less rainfall every year, a problem they link to climate change; and that access to water is one of their biggest concerns. Individual families have wells, but these are often dry in the winter. There is no irrigation system for the crops. Worse, they say, is that they can no longer rely on their historical knowledge of when to plant and when to harvest as the climate has changed so substantially in just one generation.

This community has far less infrastructure than Chañojahua. There is no electricity, running water, irrigation systems, phone lines, or cell tower. The community has no public buildings—the nearest school is several kilometers away. The central meeting place is a dirt area with some shade provided by a woven mat roof on rough wooden poles. The only evidence of human settlement in this area are small adobe houses with metal roofs, cleared spaces for cultivation, fences made of piled stones, and small herds of sheep and cattle. Like Chañojahua, the economic activities of Churicana are limited to subsistence agriculture and small-scale herding. Crops include quinoa and amaranth, potatoes, wheat, barley, corn, and green beans. Families own small parcels of land, about 2.5 hectares on average for a family of four.

Visiting Churicana feels like stepping into a place that has remained untouched for the last 200 years. However, the outside world has made its mark on the social and economic life of the place, visible in decreased food security and significant out-migration. For example, community members indicate that the combination of drought and decreasing size of land each generation are creating the need to purchase more and more external food products just to survive. Currently, they estimate that about 80% of their diet comes from food they produce themselves, and that they purchase products like oil, salt, sugar, chili, and soap.

Interviews indicate that each family earns about \$100 per year in cash income selling their agricultural surplus—mainly potatoes, wheat, and barley. The artisanal association president says that at least half of the community has migrated to urban centres in search of employment, mainly men migrating for seasonal agricultural work in Santa Cruz, Tarija, and Argentina. Some migration is permanent, as people are integrated into informal urban economies, driving taxi or selling goods in the street. Migration often causes family breakdown, as women and younger children stay on the farm, and men

often remarry and settle down with a new family in the city. This leaves the women and children in Churicana more impoverished than ever.



Photo 1: Transportation challenges

Note: Churicana residents take advantage of our visit to catch a ride to Tarabuco. Photo G. Hernandez, 2011.

Churicana is remote, making transportation is a significant challenge (see Photo 1). The closest town is Tarabuco. From their homes scattered in the hills, community members walk from thirty minutes to two hours from their farms, just to reach the dirt road that leads to Tarabuco. From there, it is 45 minutes to town by car, or about four hours by foot. Sometimes they are able to catch a ride on the back of a truck or minibus, but vehicles are rare on this road. Tarabuco has only 2000 residents, and is a small sleepy town. The nearest urban centre is Sucre, which is another hour by bus from Tarabuco.

TOMINA. The Municipality of Tomina is also located in the Department of Chuquisaca, but is further from Sucre than Tarabuco (see Figure 10). Nonetheless, its location is better suited for agricultural production than either of the other two communities, and its location on the highway that serves Santa Cruz (with routes on to Brazil) or Peru put it a more favourable position for accessing export markets.

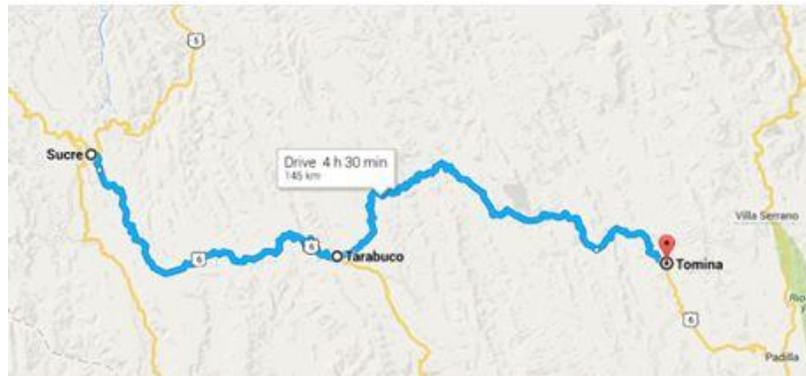


Figure 10: Road Map from Sucre to Tarabuco to Tomina

Source: Google Maps, May 20, 2013

The Municipality of Tomina was established in 1575, during the Spanish colonial period. The 2001 Census counted 9060 people in the municipality, with about 3000 in the Town (urban district) and about 6000 in the rural districts (Instituto Nacional de Estadística, 2001). This works out to a 33% urban and 67 percent rural population distribution. According to a 2006 government report, just 40% of Tomina’s residents finish primary school, and the infant mortality rate is 98.6 per thousand meaning that 1 in 10 children die in their first year of life (UDAPE, 2006). The municipality is located in a high valley within the foothills of the Andean mountain range, at about 2500 metres of altitude (see Figure 11). The climate and soil in this area are more amenable to agriculture than the other two case study communities.



Figure 11: Tomina's topography in 3D

Source: Google Earth, February 10, 2012

Like much of rural Bolivia, Tomina's economy is based on subsistence agriculture. The main crops are potatoes, corn and peanuts, but fruit trees are also visible throughout the town and surrounding countryside. Most families own very small parcels of land, about 1-2 hectares on average. The soil quality is poor as crop rotation is impossible with such small land allocations. However, there are some irrigation systems in place, and in general, water for crops is more readily available than in Chañojagua or Churicana. Within the town, there are two small hotels, several restaurants and small shops, and the greenhouses and processing plant associated with oregano production. The infrastructure includes some paved roads, electricity, and running water, and the municipal government is currently replacing the colonial sewage system with a modern version.

5.3.2. Indigenous identities in the three communities

This section explores the issue of indigenous identity in each of the case study communities. Indigenous peoples in Bolivia are not a homogenous entity; in fact there are 36 groups of Aboriginal peoples recognized within the country's borders (International Work Group for Indigenous Affairs-IWGIA, 2011). The three communities involved in this study belong to regions predominated by *Quechua* and *Aymara* peoples, who predominate in the highlands and highland valley regions. Other indigenous groups are located mainly in the Amazonian, tropical and plains regions. Indigenous identity is complex, fluid and even contradictory in Bolivia. The World Bank states that "indigenous people represent a majority of Bolivia's population at 62%" (World Bank, 2013, para. 1), a statistic based on the 2001 Bolivian census. Other sources, such as the Latin America Public Opinion project, found that just 20% of Bolivians identify as indigenous (Madrid, 2012). The most recent Bolivian census, conducted in 2012, found that just 40% of Bolivians identify as indigenous (Shahriari, 2013).

Such dramatic differences depend on how the word 'indigenous' is defined, on who is doing the defining, and on the context. The 2001 Bolivian census employed two ways to identify indigenous peoples. First, according to the criterion of 'most used language and mother tongue,' 52% of respondents said that they spoke *Aymara*, *Quechua* or another indigenous language (Instituto Nacional de Estadística, 2001). Second, based on self-identification, 62% of respondents identified with *Aymara*, *Quechua* or another indigenous ethnicity from a list of 30+ (Instituto Nacional de Estadística, 2001). In other words, none of the respondents specifically stated that they are 'indigenous', as a category—rather, they identify with language or ethnic heritage that is externally classified as indigenous. The 2012 Bolivian Census likewise asked which ethnic group people identified with, from a list that includes of the various nations of indigenous peoples (Instituto Nacional de Estadística, 2013). The reason for the variation in responses

between 2001 and 2012 is beyond the scope of this dissertation.²⁸ However, it brings to light some of the fluidity and contradictions in identification as indigenous.

The term indigenous is conceptually derived from being ‘other’ than the ‘colonizer’. An indigenous person would not see themselves as indigenous or identify as indigenous before colonialism created the relationship of conqueror / conquered, and the need to assert an *a priori* relationship with the occupied territory. Indigenous movements in national and international scales have led to significant debate of what it means to be indigenous. Furthermore, in each country, Aboriginal peoples claim a particular term that they see as best suited to their political claims for sovereignty or cultural recognition—for example, the Aborigine in Australia, First Nations in Canada, and American Indians in the United States. In the particular context of Bolivia, people of indigenous ancestry may call themselves “*indígena*” (indigenous), “*originario*” (Aboriginal peoples), or “*campesino*” (peasant or small-scale farmer) depending on the situation in which they are operating and may choose a different identifier in a different moment or context.

The new Law of Autonomies (2010) allows indigenous peoples to declare autonomy over their traditional territories and establish their own governance structures and statute. However, due to the ongoing complexity of identity, the law calls these territories *Autonomías Indígenas Originarias Campesinas (AIOCs)*—Autonomous Territories of Indigenous *Campesino* Aboriginal Peoples—encompassing all the three terms used by various individuals and civil society organizations. This is also the term used in the 2012 Census—*indígena originaria campesina* (indigenous Aboriginal peasant)—which may show an attempt to be inclusive by the government (i.e., to include people no matter which of the three categories with which they might identify) but more likely led to

²⁸ A review of articles and blogs written since the 2012 Census results were published reveal various analyzes of the reasons for the 20% drop in indigenous population between 2001 and 2012. Were some people left out of the Census, a charge laid by a Guarani leader soon after the results were made public (Shahriari, 2013)? Was it a protest against not including ‘mestizo’ as a category, as suggested by a blogger based on graffiti around the country? (Valdez, 2013) Was it because the question in 2001 asked if the person identified as ‘indígena’ or ‘originario’ (indigenous or Aboriginal) whereas the 2012 question was if the person identified as ‘indígena originario *campesino*’ (indigenous Aboriginal peasant/ small-scale farmer) (Fontana, 2013). I tend toward the latter analysis, since it implies class identification (peasant) and a rural identification (*campesino*) which would not resonate for people living in urban areas or who have urban-type employment, thus accounting for a drop in people identifying in this category.

people in urban areas not identifying with the definition of indigenous (i.e., not being a peasant / small-scale farmer / *campesino*).

The social construction of '*indigenous as campesino*' is connected to the rise of the MNR party in Bolivia, in the post-1952 period (Madrid, 2012). As described above, the MNR was a leftist coalition interested in modernising Bolivia (Cameron, 2009). This meant converting the feudal, *hacienda* agricultural system into modern agribusiness through land reform, universal suffrage, and the organization of rural peoples into *sindicatos*. Land Reform legislation was enacted to break up large *haciendas* into small parcels of land to be given to the former 'serfs'—the labourers who had been working the land for the patron (owner/ boss). These 'serfs' were mainly Aboriginal or indigenous peoples, although in some cases they were *mestizo* (mixed), but the MNR called them all '*campesinos*'. The *campesino* unions organized at this time encompassed all small farmers in the country into Soviet style organizations, with the *campesino* proletariat at the base, and each sub-level group being part of a regional body, and the regional bodies as part of a national body commonly called 'The Central'.

The discourse regarding indigenous people at this time was assimilationist; by seeking to develop a class identity as *campesinos* rather than an ethnic identity (Strobele-Gregor, 1994). Universal suffrage was also granted by the MNR, allowing illiterate people to vote, thereby creating a much larger population of people who were considered 'citizens' including, especially, Bolivia's Aboriginal peoples.

The MNR policies were a pivotal moment in Bolivian history, with enduring impacts. The Land Reform that started in 1953 is the beginning of indigenous peoples' movement into political spaces of power (Regalsky, 2008). The shift in land ownership from the elite to the workers was particularly widespread in the highlands and valleys of Bolivia (La Paz, Chuquisaca, Potosi, and Oruro), which are the landscapes of focus in this study. Indigenous identity became connected to being *campesino* and indigenous authority began to manifest in the *sindicatos*. The unions were closely articulated with the government, during both MNR period (1952-1964) and during the later pacts between *campesino* organizations and the military dictatorship governments (early to mid-1970s). This process created a corporatist model in which the national government channeled

resources and favours through the union structures, in order to retain the support of the rural majority (Burrier, 2012).

In urban areas, Bolivians are less likely to identify as indigenous as in rural areas (see Table 15). This is not simply because more indigenous people live in rural areas, but rather because identity is fluid. Informally, over the last ten years of living in and visiting Bolivia, I have asked a range of urban people in La Paz if they consider themselves indigenous or not. Many say ‘I am not indigenous, but my parents are.’ On further inquiry, they clarify that ‘indigenous’ means living in rural areas, dressing in traditional clothes, and speaking primarily an Aboriginal language. In essence, they are saying ‘I am a professional, I wear Western clothes, I speak Spanish, and therefore, I am not indigenous.’ In an interview conducted for this dissertation, a community leader in Tarabuco stated that he considered himself an ‘originario’ (Aboriginal) while his grandparents were ‘indígena’ (indigenous) (local interviewee 7, 2011). The difference, he explained, is that they were rural people who lived in traditional ways, spoke only their Aboriginal language, and were uneducated. By contrast, he had grown up in the city of Sucre, spoke Spanish as well as *Quechua*, and had a university degree.

Table 15: Bolivia population distribution

Area	Indigenous	Non-Indigenous
Urban Areas	44.5%	55.5%
Rural Areas	77%	23%

Source: Instituto Nacional de Estadística: Encuesta de Hogares, 2008

Adding to the complexity is that people can identify with more than one identity. It is very possible to consider one to be ‘*campesino*’, ‘Bolivian’, ‘*Quechua*’, and ‘indígena’ and to use these identifiers in different moments or contexts. Identity is constructed in relation to something else, such that when a person travels outside of their country; their nationality may be the most significant identifier in relation to being with people of other countries. When *Quechua* and *Aymara* people come together to press for political change, being indigenous as a common identifier may be the most relevant identity. In addition, when differentiating between cultural practices and beliefs, identifying specifically as *Aymara* may be most relevant, in relation to people who are not *Aymara*. When organizing for land rights, the *campesino* designation may fit the situation best.

Clearly, there is no simple definition of what it means to be indigenous. For the purposes of this research, ‘self-identification as indigenous’ was considered to be the most relevant criteria. This is the approach used for Bolivia’s national statistics, and it respects the agreements of UN member countries—namely, the right of indigenous people “to determine their own identity” (United Nations, 2008, Article 33). Other criteria such as national statistics, language use, and style of clothing are also considered in this section to provide extra context and understanding of the complexity of indigenous identity.

In Chañojahuá, the members of the agricultural co-op identified as *originario* (Aboriginal). In terms of language and culture, they identified as *Aymara*. There was no doubt or equivocation in the answers and it is notable that even those who resided primarily in the city of El Alto, only visiting the community on weekends, retained their identity as *originario*. National statistics confirm that 84.4% of inhabitants of Viacha (the municipality in which this community is located) speak *Aymara* (Instituto Nacional de Estadística, 2001). Co-op members confirmed that all people of all ages in the community speak the original language.



Photo 2: Clothing style in Chañojahuá

Note. Photo G. Hernandez, 2011.

The women of Chañojahuá wear ‘traditional’ clothing as depicted in Photo 2—the small bowler hat and the layered skirt called the *pollera*. While these clothes are actually

a cultural adaptation from colonial times, derived from 19th Century Spanish fashion, they have a long history and serve as a cultural identifier for *Aymara* people. The men of the community dress in western clothes, such as jeans and button down shirts, but when in a leadership position they adopt the traditional attire of a red poncho and black hat.

In Churicana, the artisanal association members identify with a sub-group of the *Quechua* family: “We are *Yampara* people” (local interviewee 8, 2011). Their primary language is *Quechua*, and most people that I met seemed to speak only basic Spanish. The group interview was conducted with translator assistance. They confirmed that every person in the community speaks the Aboriginal language. Young people dress in modern clothes, but women and men aged 30 or older wear traditional *Yampara* clothing, as shown in Photo 3.²⁹



Photo 3: Traditional Yampara clothing

Note. Photo G. Hernandez, 2011.

²⁹ The women wear a black dress with three-quarter sleeve (*lija*). They wrap a purple cloth with stripes around their shoulders, and wear black beaded hats (*monteras*) and colourful woven belts (*chumpe*). The men wear black shirts (*aymilla*), and their pants (*kansoa*) are cream-coloured and fall to just below the knee. A cloth with a distinctive blue, white and black pattern (*onko*) is tucked in at the waist.

Identity in Tomina is distinct from Churicana. Eighty-four percent of Tomina's population identified as '*Quechua*' (INE, Census 2001). However, the members of the oregano co-op identified themselves as '*campesinos*' when asked. When asked if they speak *Quechua*, they said "yes, of course, we are *Quechua*." In other words, they considered themselves as simultaneously *campesino* and *Quechua*. The Aboriginal language of *Quechua* is intact, with people of all generations according to co-op members. However, the co-op members who participated in the research spoke and understood Spanish much better than the participants in Chañojahuá and Churicana. There was no visual evidence that anyone in the town or countryside dresses in traditional clothing; rather, men, women, and children wear Western-style clothes, as shown in Photo 4. The only exception is that the women tend to wear the black hat and long braids associated with *Quechua* peoples.



Photo 4: Clothing of *Quechua campesina* in Tomina

Note. Photo S. Travers, 2011.

While all three communities fit the case study selection criteria of 'self-identification as indigenous'—by identifying with a particular language or cultural group from pre-colonial times—the variations in self-identification in the three communities confirm the complexity

and heterogeneity of indigenous identity in Bolivia. Table 16 shows the diversity in how identify manifests between the three communities.

Table 16: Indigenous identity by self-identification, language, and clothing

Location	Self-Identification	Language Use	Style of Clothing
Chañojahuá	Originario (Aymara)	Aymara (primarily); Spanish (secondary-many not fluent)	Women-traditional clothing (all ages); Men-Western clothing, mainly
Churicana	Yampara (Quechua)	Quechua (primarily); Spanish (only young or educated people)	Women-traditional clothing (30+); Men-traditional clothing (30+)
Tomina	Campesino-Quechua	Quechua (primarily); Spanish (secondary, but relative fluency)	Women-western clothing mainly; Men-western clothing

5.3.3. Forms of economic organization

This section explores the forms of organization of the economic initiatives in the three communities, in particular in terms of structure, ownership, purpose or goals, and distribution of benefits. The practices of Community Economy are also described more broadly.

The **Chañojahuá agricultural co-op** was established in 1974. The main protagonists were community leaders involved in a national *campesino* organization.³⁰ Through participation in local and regional union meetings, the idea emerged to create a co-op that could grow collective crops, achieving a scale of production that would create a surplus to sell. The co-op legally registered in order to access state financing, and established an elected board of directors, a bank account, and annual member dues in accordance with the law. The state ceded 53 hectares of land to the co-op in 1975.

³⁰ At the time, the dominant national *campesino* union was the Confederación Nacional de Campesinos de Bolivia, an organization established by the state under the MNR party. By 1979, this union was replaced by the Confederación Única Sindical de Trabajadores Campesinos de Bolivia-CSUTCB. Today, the CSUTCB is a highly important national organization in Bolivia, representing more than one million indigenous peoples, originarios, and *campesinos* from rural areas, with a particular concentration in the highlands and valley regions (Schilling-Vacaflor, 2011).

However, several factors collided to prevent the co-op's goals from being realized, as identified by the co-op members. First, there was a lack of capacity or knowledge about how to identify and reach markets beyond the local marketplaces in Viacha and El Alto. Second, the co-op members were not able to access financing to buy agricultural inputs such as seeds and fertilizers to increase yield, due to changes in government policy that reduced agricultural support. Third, there has been a lack of motivation by many co-op members to grow collective crops, as their primary affiliation and relationships of trust are within their immediate family. Finally, out-migration from the community has made it difficult to generate a larger scale of operations.

Nonetheless, the co-op remains an active organization within the community. It has 157 registered members, who meet annually to elect a board of directors, and more regularly for work parties. Together, the members cultivate about 5 hectares of the co-op's land, with potatoes, quinoa, and barley. The harvest is divided equally among the members who have contributed their labour, for personal consumption or local sale within the immediate community.

According to co-op members, elements of Community Economy practiced in Chañojahua include:

- The co-op members continue the practice of collective work parties, both for agricultural production and harvest, and for community clean ups or building community infrastructure.
- Communal ownership of land, with community-based production, exists within the co-op framework, however, not in the sense of traditional ancestral practices. In other words, the co-op collectively owns land but there is no longer any land that is collectively owned or cultivated by the community as a whole.
- Non-monetary trade with other communities (*trueque*) is no longer practiced. In the past, the highlands peoples would meet twice a year with peoples from the valley regions to trade agricultural products. The highlands people brought potatoes, quinoa, and llama meat. The valley people brought fruit and fish. This traditional economic practice appears to have died out in the area where Chañojahua is located.

- Values of reciprocity (*ayni*) continue to be important to many community members. However, some co-op members mentioned that individualism is growing, and one man said that people in the community “do not help each other the way they used to.” One woman says that the young people do not understand the importance of *ayni*.

The **Churicana artisanal association** was established recently, in 2010. The idea arose originally from a local leader who had been chosen by his community to represent them at the regional level in the CSUTCB, the national *campesino* union. His travels to meetings across Bolivia opened his mind to possibilities, and he determined to help make life in his community more viable and sustainable.

The Churicana Association is not legally registered; rather, it is an informal group of 17 families who have come together to market their artisanal products. They have recently begun the paperwork to become a legally registered association, with technical assistance from the Tarabuco municipal government to complete the paperwork. The Municipality has also agreed to pay the \$40 registration fee (local interviewee 6, 2011). In the focus group, association members said that the legal identity is important for them, as it allows them to qualify for funding and support from the municipal government and NGOs.

The association sells woven textiles made by members on handheld looms. The artisanal products are based on traditional designs, and include wall hangings (tapestries), traditional clothing and hats, tablecloths, and shawls. Production happens in and around women’s other domestic and agricultural responsibilities. More recently, the members have begun to produce earrings that are an intricate combination of woven material and beading. Earrings are not traditional, and as such, this product represents an innovation in response to market demand.

The Churicana artisans sell their products almost exclusively at the weekly Sunday market in Tarabuco, and their main customers are ‘foreigners’—the tourists who are bussed in each weekend. Each artisanal directly earns the sales of the products she produced; they take turns at the stall and record the sales in a notebook.

Women's traditional knowledge of weaving is the basis for the Churicana artisanal association, passed down between women for thousands of years.³¹ During the weaving demonstration, it becomes clear that this knowledge continues to be passed on to the youngest generation of women, even today. Two teenage girls show that they, too, know how to weave and, when asked, state that they have learned from their mothers. "Everyone here knows how to weave," one young woman says. "All the women know how to weave," clarifies an older woman.

There is evidence that elements of the traditional Community Economy continue to be practiced in Churicana. Indeed, Churicana is the only one of the three case study communities that engages in *trueque* (non-monetary exchange) on an annual basis, trading potatoes for fruit. Values of *ayni* (reciprocity) continue to be strong in the community, grounded in kinship ties between family members and neighbours. For example, reciprocal labour is still practiced during planting and harvest seasons to some extent. However, group work parties do not occur very often anymore. There is also some collective land owned by the community as a whole but currently this is subdivided for use by individual families.

In summary, according to local residents, the traditional forms of Community Economy are still active, but less so than in the past. When asked if they would like to return to or strengthen such traditional practices, the response was ambivalent. For example, one woman responded "that belongs more to the time of our parents" (local interviewee 7, 2011).

The **Tomina oregano co-op** is distinct from the other cases in three main aspects. First, it was primarily initiated by external actors although it is now coordinated locally to a large degree. Second, it is more complex in its organization, involving an NGO, a social enterprise, and a co-op. Third; it is much more sophisticated in terms of technology and quality control of product. Fourth, it is significantly larger in scale, selling thousands of tons of oregano annually to an export market.

³¹ In the group interview, the association members say that formal education is limited in the community, and that no one in the community has gone to school past grade six. Informal or traditional knowledge is the basis for social and economic life, including agricultural practices (men and women), traditional medicine (women), and weaving (women).

Before oregano entered the picture, the co-op in Tomina had become essentially inactive. It was originally formed as a development initiative of the Catholic Church in the 1970s, to bring producers together to sell in bulk, thereby achieving the type of economies of scale that are otherwise impossible for subsistence producers. As families divided their land parcels among family members over a couple of generations, there was no longer sufficient surplus to sell. Over time, the co-op became less and less relevant. The co-op still owned a small building and the adjacent land, but it was down to just eight members when a SOCODEVI representative arrived in Tomina in 1999 to talk to the co-op members about growing oregano.

SOCODEVI (*Société de coopération pour le développement international*) is a non-profit organization established in 1985 by a network of Quebec co-ops and mutuals (SOCODEVI, 2012). Their goal is to promote the co-op model with agricultural organizations in developing countries by sharing experiences and expertise (SOCODEVI, 2012). The project in Bolivia set out with funding from the Canadian International Development Agency (CIDA) to “diversify local income-generating activities and thereby improve living conditions by helping set up a new co-op industry for growing, processing, and commercializing herbs and spices” (Villeneuve, 2013).

In 1999, SOCODEVI began conducting research on crops that could be viable in the Chuquisaca region of Bolivia—viable in terms of being able to grow well in the particular climate and soil conditions, and viable in terms of potential markets. During this period, they worked with the Central Local de Cooperativas Agropecuarias de Chuquisaca (AGROCENTRAL), which is a cooperative network made up of five producer co-ops in the region. The research took about five years, and an investment of about \$500,000 (local interviewee 11, 2011). Together, SOCODEVI and AGROCENTRAL chose oregano to be their crop of focus. The manager of UNEC listed four main reasons for choosing oregano (local interviewee 11, 2011):

- it is a strong and resistant crop;
- it can grow in an arid environment;
- it can produce up to three crops per year; and
- it is a much higher value crop than the traditional crops of the region

Furthermore, neighbouring Brazil was identified as a market for oregano, an input into their food production industry that serves its national population of 240 million and South America as a whole.

The oregano initiative involves agricultural co-ops in five rural communities—Tomina, Serrano, Padilla, Sopachuy, and Rendición Pampa—but Tomina is the centre, as the location of UNEC. Unidad de Especies y Condimentos (UNEC) is a for-profit enterprise established in 2002 to run the oregano cultivation, processing, and distribution operations. UNEC is co-owned by SOCODEVI, AGROCENTRAL (with its five member cooperatives), and the Fundación para el Desarrollo Tecnológico Agropecuario de los Valles (FDTA-Valles).³² Each of the three organizations has 33.3% interest in the company (FDTA-Valles, 2008). The stated goal is that FDTA-Valles and SOCODEVI will transfer their shares to AGROCENTRAL at an unspecified future date. The San Mauro Co-op in Tomina provided the land for the oregano greenhouses and processing facility, while SOCODEVI and the FDTA-Valles provided the initial investment in research, buildings and equipment. Today, there are 180 members in the Tomina Co-op, and 1200 people total in the larger region, who sell their oregano to UNEC's processing plant in Tomina (local interviewee 11, 2011).

According to the UNEC General Manager, the enterprise and the five producer co-ops divide the responsibilities for oregano production between them. UNEC runs the greenhouses that reproduce seedlings from the mother plants, the collection station where farmers bring their harvest for sale, and the processing plant that separates the leaves from the stem and packages the product for export. The Tomina Co-op provides the seedlings, fertilizer and equipment to members on credit, with no interest charge. When the farmers sell their harvest to UNEC, they receive a chit that they take to the co-op office. The co-op deducts the amount owing for agricultural inputs, and pays out the remainder in cash to the farmer/ member. UNEC is also responsible for providing training and technical support for the local farmers, activities that are subsidized by funding from SOCODEVI. UNEC and the five co-ops also work together to expand the number of

³² FDTA-Valles is a private Bolivian foundation that channels international donor funds and Bolivian public sector funds to agricultural development in Bolivia.

oregano producers and sustainable co-ops in the region—their goal is to grow from 1200 oregano producers in 2011 to 4000 producers in 2014.

When asked if Community Economy practices are alive in Tomina, co-op members said that *ayni* (reciprocity) is still a core value for most people in the area. However, group work parties and *trueque* (non-monetary trade) are no longer practiced, at least not in any visible or substantive way.

5.4. Analysis of Findings

This section analyses the findings presented in this chapter, including the national conceptualization of the SE, and the identity, organizational structures, and goals of the case study initiatives and community members.

5.4.1. Conceptualization

The conceptualization of the SE by relevant national actors divulged five distinctions between Bolivian and North American / UK:

- First, the Community Economy—a traditional and/or indigenous form of economic activity—is integrated as a key component.
- Second, civil society organizations tend to use the term ‘Solidarity Economy’ more than ‘Social Economy’, with emphasis on values of reciprocity, cooperation, and links to popular / grassroots movements and organizations.
- Third, there is a much greater likelihood of embedding the concept within a larger framework of creating alternatives to capitalism, especially neoliberal or imperialist economic interests, rather than as a measure to ‘fill the gaps’ left by the private or public sector (i.e., an alternative ‘within’ capitalism).
- Fourth, the typology of organizations that are considered as part of the SE does not include NGOs or social enterprises; rather, the focus is on cooperatives, associations, and small-scale producers.
- Finally, there is a greater emphasis on institutionalization or codification of the SE within the legal system (national and municipal levels).

5.4.2. Cases by SE typology

Using the SE typology criteria established for this study, it is evident that the three case initiatives manifest discernible characteristics of the SE in their goals; values; structures; and distribution of benefits (see Table 17).

Table 17: Cases according to SE typology

Criteria	Chañojagua agricultural co-op	Churicana artisanal association	Tomina Oregano Co-op
Structure / Ownership	Producers' Cooperative (formal, registered)	Producers' Association (informal, but registration in process)	Producers' Cooperative (formal, registered) + Social Enterprise + NGO
Monetary / Distribution of Benefits	Agricultural products distributed equally based on membership and participation in labour	Sales income distributed to members in proportion to individual production	Sales income distributed to members based on individual production
Normative / Values	Social empathy manifests as working collectively to improve the food security of all members	Social empathy manifests in cooperativism, such as taking turns to sell the products and working together to improve the economic situation of all members	Social empathy manifests in cooperativism and mutualism, such as the no interest loans provided for agricultural inputs
Goals or Purpose	Main objective is social (food security and nutrition)	Main objective is social and cultural (retention of culture, retention of rural, community ways of life)	Main objective is social (increased income to members and to retain a rural, community way of life)

In particular, the associative or collective nature of the ownership structure is a common theme between the three, as are values of social empathy and multi-dimensional objectives.

The Chañojagua initiative is a legally registered co-op. It is collectively owned by its members, and holds a parcel of land as a collective asset. The agricultural products cultivated in the collective land are distributed equally among members who participate in the labour. The goals of the co-op are multi-dimensional—profit is not the primary motivation; rather, it has mainly social and cultural goals such as poverty alleviation, increased food security, and supporting the return of people to the community. Social

empathy norms or values manifest in the concern for social and individual well-being (mutualism), and manifested in the cooperative work parties that are used to plant, cultivate, and harvest collective crops (cooperativism).

The Churicana artisanal initiative is organized as a producers' association, a form of organization that has elements in common with agricultural cooperatives, but which is more common in the Latin American context. In general terms, an association is simply a group of people who come together to achieve common objectives. It can be incorporated (legally registered) or unincorporated. Trade unions are associations of workers, normally from the same industry. A yacht club is a recreational association. In Latin America, producer associations are a common form of organizing for small-scale farmers. They serve as a vehicle to lobby for their collective interests, or to pool products at a common collection or processing point to reach markets.³³ At the time of this research, the Churicana artisanal association had not yet legally registered, but indicated that they were in process of doing so. The Association is collectively initiated and operated; it was started by a group of local people and it is run by its members through regular consensus-based meetings. The sales income is distributed to members in relation to individual/ family unit production, which is a common structure in producers' cooperatives and producer's associations. The goals are social, cultural, and economic—to improve incomes in order to keep a way of life alive. Social empathy manifests in the way that they take turns to bring products to the market and sell the products (cooperativism), and in general how they function based on mutual interest (mutualism).

These two initiatives also fit well within the SoIE framework most widely utilized in Latin America—namely that the initiatives revolve around associative entities for the mutual benefit of members.

³³ In Canada, agricultural producers have organized as cooperatives for the purposes of collective processing and commercialization, e.g., Agrifoods International Cooperative (dairy producers in Alberta, British Columbia, and Saskatchewan); Agripur Cooperative (dairy producers in Quebec); Saskatchewan Wheat Pool (grain producers in Saskatchewan). Farmers in these cooperatives own and produce on their own individually owned land, but market their product collectively. In Bolivia, like much of Latin America, the concept of “cooperatives” is not popular among many small-scale farmers due to the historical imposition of this model by central governments. In countries such as Nicaragua, Cuba, Bolivia and Peru, land reform policies in the 1950s to 1980s involved massive restructuring of institutional arrangements around land ownership and transfer rights.

The Tomina oregano initiative is note-worthy in its manifestation of three distinct types of SE organizations: (1) non-governmental organization founded by Canadian cooperatives to proliferate the cooperative model internationally (SOCODEVI); (2) A social enterprise that runs as a business but for a social purpose (UNEC); and (3) a legally registered agricultural co-op made up of local producers (San Mauro Co-op). The social enterprise operates to generate employment and income at a local level, enabling people to stay in their communities and to alleviate poverty; manifesting the multiple bottom-line approaches of SE organizations. The co-op likewise operates with multiple bottom-lines in mind—to improve economic well-being of its members as a means to retaining a rural, community way of life. Further, the co-op engages in several activities with a social empathy normative base, such as providing financing with no interest for its members, and operating a store to reduce the costs associated with travelling to larger centres to purchase basic goods.

5.4.3. Community Economy characteristics

Given the conceptualization of indigenous economic activity in the Constitution, complemented by the national level actors interviewed, it was expected that the three case initiatives would involve significant community forms of economic organization. Further, it appeared that people identifying as indigenous would place a high value on recovering or strengthening these traditional forms of economic organization. However, my findings show that Community Economy practices in the three communities manifest on a continuum from significant to nonexistent and that there was little expressed desire to strengthen these practices.

In Chañojahuá, there were many practices that are consistent with a Community Economy models. According to the co-op members, *ayni* and *group work* continue to be practiced. This was evident in a work party that I witnessed, in which the co-op members came together and worked for two hours transporting their collective potato harvest to a field where they would freeze as *chuños*, a traditional form of food preservation in the

highlands.³⁴ Reciprocity (*ayni*) was evident in the distribution of the co-op's harvest equally between members. The practice of non-monetary exchange (*trueque*) with other communities is no longer practiced, but several people said that they do exchange between themselves without using money, internally. Collective land ownership existed as well, but the land belongs to the cooperative rather than the community as a whole. This is significant, because records show that pre-colonial land systems were based on a community owning land collectively. Land was allocated to individual families—specifically, new couples were given the means to survival: land; a house; basic livestock; and seeds. When they had children, they were given more land. When their children started their own families, the excess land would go back into the community and distributed as per need. In other words, there was a collective use of land, administered at a community level. The cooperative model is different because they specifically identify 40 hectares as belonging to the co-op; this amount of land is not subject to change, nor is it administered by traditional authorities. It is a post-Colombian form of land ownership, structured through agrarian reform policies by the State. The traditional Community Economy practices, then, are incorporated into the co-ops ways of organizing agricultural production and distribution.

Churicana has all three components of Community Economy intact to some degree, that is, *ayni*, *trueque*, and collective work. This information was not triangulated through other sources, but there is no reason to doubt the testimony of the association members. In addition, observing a planning meeting of the association, it was evident that decision-making was done by consensus, seemingly more in line with ancestral practices of governance than post-Colombian ways. There was one collectively owned piece of land in the community. Interestingly, the association members indicated that the land is sub-divided between families who wish to farm additional land. This family-based distribution is interesting because it indicates a greater tendency to organize land use in a traditional way (collective land used by families as needed) rather than on a Western, superimposed basis (collective land farmed communally by members of a cooperative).

³⁴ *Chuños* and *tuntas* are two traditional ways to process potatoes in the *altiplano* (highlands) for year-round consumption (national interviewee, 2011). *Chuños* are potatoes that have been freeze dried, by lying on the ground during cold periods. *Tuntas* are potatoes that are dehydrated by lying out in the sun. These preserved tubers are used in stews and soups throughout the winter months. These methods of processing can be traced back to Inca times (Erickson, 2006).

Association members indicated that practices like collective work parties were less and less common, although they did still occur from time to time. The Association itself did not use collective work in the production of artisanal products, or in the distribution of benefits from sales. Rather, production and income were based on individual and/or family units. Again, this may reflect a more traditional way of organizing—by family units but within a collective structure.

The traditional practices of Community Economy do not appear to be intact in Tomina, at least not according to the co-op members interviewed for this study. Nonetheless, values of reciprocity are clearly evident and may be part of the reason that the co-op was able to come back to life.

Figure 12 shows the continuum of community economy practices compared between the three communities.



Figure 12: Community Economy continuum
Note: Original figure by the author

There is an unmistakable commitment to working together for collective benefit of co-op members, such as providing loans for equipment with no interest. Other examples include sharing the work available in UNEC among many women in the community, so that each person gets some work rather than a few getting a lot of work. The only collectively owned land in the community belongs to the cooperative. The land is now used by UNEC for its business operations, and provides the co-op with their share or

interest in the business. This demonstrates a contemporary model of land ownership, with the land used for business purposes rather than for collective farming.

The ethnic heritage of a community—that is, being descended from Bolivia’s Aboriginal peoples—*cannot therefore be directly conflated with Community Economy practices*. There is a range or continuum of practices, and a mix of ancestral and more contemporary ways of organizing land, work, and benefits. Furthermore, it is important to note that although Chañojahua and Churicana residents seemed to value these practices in some ways, that there was an overall feeling that *ayni* and *trueque* belong to the past, not the future. Indeed, one of the association members in Churicana stated this explicitly (i.e., that these practices belong more to the time of her parents). Nonetheless, there are elements of collective organization and reciprocity in each of the case study initiatives, illustrating that the historical cultural norms may be creating a rich soil for SSE forms of organizing. In this way, the uniqueness of the Bolivian context may lie in the fit between collective economic approaches and the historical values of the Aboriginal peoples.

Chapter 6. Benefits and Challenges of the SE in Bolivia

6.1. Aims, scope, and organization of the chapter

This chapter corresponds to sub-question two, “What are the main benefits and challenges associated with the SE and CED in rural indigenous communities in the Bolivian highlands?” Each of the three initiatives are analyzed through the Five-point Framework for CED and SE Analysis outlined in Table 10. The purpose is to analyze the benefits and challenges of the three initiatives, in terms of their ability to move participants and their local areas toward improved social, economic, environmental, and cultural well-being. The chapter further explores if and how indigenous identity, values, or structures are incorporated into the initiatives or if there is anything ‘particular’ about the manifestation of the SE or CED in these contexts.

6.2. Chañojahuá characteristics and benefits

The Chañojahuá initiative focuses on growing quinoa and a variety of potatoes on a 53-acre parcel of land owned by the co-op. Approximately 150 of the 180 families in the community are members of the co-op. Planting and harvesting of both crops is bi-annual, carried out by work groups of co-op members. The co-op uses traditional methods for freeze-drying and dehydrating the potatoes, by laying out the crop on the ground during sunny or frost periods. Likewise, they process the quinoa in a low technology, traditional way by laying it out to dry in the sun. The agricultural products are distributed among the co-op members as an additional food source for their families, to help sustain them through the winter months. There is no commercial dimension to the co-op’s activities at this time.

6.2.1. *Integrated development goals*

The goals of the Chañojahuá co-op can be inferred from conversations with its members. In the words of the co-op president, for example:

We want to make a way for people to stay in the community, so they can live here and not have to move away for work (local interviewee 1, 2011).

There are economic goals in this statement—the desire to create an economic alternative to seeking work outside the community. A co-op member echoed this sentiment by stating that she would prefer to live in the community, “but I live in El Alto because I can’t make a living here.” Social objectives are also evident, although not as explicit, in the desire to ‘stay in the community’. In other words, social connection and a rural way of life are considered important and worthwhile objectives. Environmental objectives are not evident in the stated goals, however, several co-op members indicated that they consider ‘living in harmony’ with the Pachamama (mother earth) to be important for their community. Together, these statements indicate triple-bottom-line objectives for the co-op—economic, social, and environmental (*indicator 1*).

6.2.2. Using traditional knowledge and practices

Indirectly, cultural goals are also incorporated in this initiative. While there is no explicit statement of retaining ‘indigenous’ or *Aymara* culture, there is a desire to live in their traditional lands (‘stay in the community’, ‘live here’, and ‘not have to move away’). Further, observation of community meetings and work parties showed that many cultural practices are intact and important to the co-op members, including:

- **Traditional governance structures:** The *ayllu* (or community) is governed by Mallkus (men) and Mamatallas (women). This is a traditional structure, in which 10 rotating positions are held by a man-woman pair to create balance or harmony. The pair is often a married couple, although not necessarily. Table 18 shows the traditional positions of authority in the community, according to the community members. Each position rotates after one year, and each family in the community must take a turn. In the co-op meetings I witnessed, the traditional authorities, both male and female, wore the clothing and accessories that symbolize leadership—the men in red ponchos with the metal bar of authority tied to their backs, and the women in blue ponchos with the same metal bar on their backs. The Jilir Mallku (maximum authority) opened the meetings and sat at the head table throughout the proceedings.

Table 18: Traditional authority positions

Title in Aymara	English translation
Jilir Mallku	Maximum authority
Sullka Mallku	Second authority
Jalja Mallku	Justice
Quilquir Mallku	Record Keeper
Kulkhi kamani	Housing
Anatair kamani	Sports
Whipala kamani	Flag
Uywa kamani	Livestock
Yapu kamani	Crops
Yatiri kamani	Wisdom

- **Collective work & traditional crop processing:** The traditional practice of gathering for work parties is used by the co-op for planting, harvesting, and processing of the crops. Crops are processed with ancestrally derived practices, such as laying out potatoes on the ground overnight to freeze-dry, as illustrated in Photo 5. The freeze-dried potatoes are thus preserved and useable all year long.



Photo 5: Traditional methods for processing crops

Note: Photo: G. Hernandez, 2011.

- **Apthapi (shared meals):** For the work parties and other gatherings, the women arrive with prepared food wrapped in *aguayos* (woven cloths) on their backs. When it is time to break for lunch, the women open the wraps and spread them on the ground so that everyone can eat, as shown in Photo 6. This practice of sharing food, called *apthapi*, is a custom from pre-colonial times.



Photo 6: Apthapi

Note: Photo: G. Hernandez, 2011.

The point of listing these cultural practices is that they are embedded in place and are normally practiced only if the community continues to spend time together in that location. Traditional governance structures are tied to rural areas—in the city, they cease to exist. Harvesting medicinal plants can only occur where these plants grow. Work parties happen where there is collective land and purpose. Therefore, the expressed goal of creating a way to continue to live in this place can be understood as a goal to preserve and strengthen traditional cultural practices and values (*indicator 2*).

6.2.3. Building from local assets

The Chañojahuá initiative uses an asset-based approach in three principal ways. First, the co-op itself is a local asset, a social organization integrating most of the people in the community and with more than 40 years of existence (*indicator 3*). Second, the activities of the co-op are based on local knowledge of how to plant, harvest, and naturally process potatoes and quinoa in accordance with modes developed over centuries (*indicator 3*). Third, the crops are planted on 53 acres of land owned collectively by the co-op, which is a physical and economic asset for the members (*indicator 3*).

6.2.4. Improved food security

Improved food security is one of the main benefits for co-op members. The crops are distributed evenly among the members who participated in the planting and harvesting, providing an extra source of food to supplement the meagre land plots owned by each family (the average land holding is five hectares, but many families only own 1 or 2 hectares). The co-op initiative provides improved economic benefits, then, as the extra crop reduces the need for cash income to purchase food (*indicator 4*).

6.2.5. Place-based approach

The Chañojahuá initiative can be considered place-based in two ways. First, the two crops ‘fit’ with the local physical environment (suitable crop) and social environment (traditional food sources for centuries, and local expertise for production). However, there did not appear to be a commonly understood conception of development for the community. Several people said they wanted to do something that made the community more viable to live in, because they want to keep that way of life alive. Two people said they wanted to do development based in the community and done by the community. One person mentioned the concept of *Vivir Bien* (Living Well) as a goal for the community, invoking the idea of a simpler but sufficient way of life. There may be an implicit common vision of development among the co-op members, but this is not written down or explicitly articulated (*indicator 5*).

Secondly, the co-op initiative contributes to a local economy that is inherently embedded in place. The members are local to the place, and would not move the co-op’s

activities elsewhere (*indicator 6*). The crop is grown in the land of that place, which again is non-moveable (*indicator 6*). The initiative contributes to the local economy by increasing the amount of food available at no monetary cost, important for people with minimal financial resources (*indicator 6*).

6.2.6. Supports environmental sustainability

Sustainability is incorporated in two main modes. The co-op saves a selection of potatoes and quinoa seeds each harvest to seed the next crop. This provides sustainability in terms of agricultural inputs, with no need for cash outlay (*indicator 7*). The agricultural work is done by volunteer labour in the group work parties, which again does not require any expenditure of cash, or any need for external support (*indicator 7*). The use of technology is minimal, with all labour done by human beings with simple tools like shovels. Crops are processed using the natural elements, such as sun and frost. In these ways, the activities are appropriate to an environment where labour is plentiful and land sizes are small. Damage to the physical environment from such technologies is low to none (*indicator 8*). However, the lack of crop rotation or adequate fertilization is depleting soil quality and resulting in less productive land (*indicator 8*). Appropriate technologies such as organic control of insects, compost for fertilizer, and simple irrigation systems could increase the food production substantially without harming the natural environment.

6.2.7. Rooted in self-management and participation

One important characteristic of the Chañojahuá agricultural co-op is that it is entirely self-managed by its members (*indicator 9*). The activities are initiated, planned and implemented by the members through meetings and informal conversations. The board acts as a coordinating body, calling for meetings and collective work parties. The co-op and its decision-making processes are highly inclusionary (*indicator 10*). There is a onetime fee of ten Bolivianos to join (about \$1.20). A caveat is that official membership tends to be exclusive to the male head of each household. Both male and female members of the co-op stated that each “family” is a member, but when asked whose name is officially listed in the membership, they said “the man’s name.” It appeared that women felt that they were equally members, but in a strictly legal sense, they are generally excluded from membership.

Decision-making at meetings operates by democratic vote, if needed, but the group generally tries to operate by consensus (*indicator 10*). For example, an issue is presented to the group by a board member or general member, and then each person has a turn to speak to the issue if they wish. The person chairing the meeting then states the action or decision that seems to be emerging from the discussion and looks to the group for nods or gestures of approval. If there is no further dissent, the decision is made. Again, a caveat is that women do not speak up in the meetings. When asked, separately, why they do not participate, three women tell me that they do not need to speak up because they “have already told their husband what to say.” From this kind of comment, it is possible to conclude that a Western concept of participation does not apply in this context, and that forms and perceptions of participation are culturally bound.

6.2.8. Local economic multiplier effects

The co-op activities are not large enough in scale to create local multiplier effects (*indicator 6*). The board members indicated that they would like to scale up to generate surplus agricultural products to sell in Viacha and El Alto. With the income, they could increase their agricultural production and, ideally, provide a cash income to members. The co-op only plants five of their 53 hectares each season, due to insufficient agricultural inputs such as seed. Members indicated a need to buy seeds and fertilizers to plant the entire field, and that they do not have enough cash income to do so. They speak of a desire to regenerate sufficient economic activity in their community that people could return from the cities. Further, it is evident that food security would be greatly enhanced by the construction of an adequate food storage unit, such as a silo. Currently, the harvested potatoes are stored in a building that was built as a church, which is damp and does not keep the potatoes in good condition. A silo would likely allow for storage of seed potatoes as well. In other words, there is greater potential to utilize the local asset—land and human knowledge—than is currently realized. The co-op currently serves mainly as a means of social cohesion and community mobilization, bringing the community together to plan and act together. The shared activities contribute to keeping their collective identity and sense of common purpose alive.

6.3. Churicana characteristics and benefits

The Churicana artisanal association is made up of seventeen families who make handcrafted artisanal products such as earrings, clothing, and tapestries. Members sell the products in a weekly market in the town of Tarabuco, mainly to tourists who arrive on Sundays by bus.

6.3.1. *Integrated approach*

The integrated goals of the cooperative are evident in this statement by a local leader who is both a traditional authority and the president of the artisanal association; indeed, he used the word “integrated” when describing the objectives toward which they are working:

Our goal for our community is integrated development—food security and income generation. Most importantly, we want our culture to be preserved, and for our young people to have opportunities here so they can stay (local interviewee 6, 2011)

Economic goals include income generation and employment opportunities for young people. The latter is also a social objective—to keep a community alive, it is necessary to have young people stay in place rather than migrating to the cities (*indicator 1*). The goal of improved food security is both social and economic, as producing food is an economic activity while having enough to eat meets social needs of building human capacity and well-being (*indicator 1*).

6.3.2. *Regenerating traditional knowledge*

Cultural preservation is an explicit goal of this initiative, directly expressed in the association president’s statement (*indicator 2*). The goal of strengthening and preserving indigenous culture is also evident in the actual products of the association; products which are deeply rooted in women’s historical and traditional knowledge and expertise and which attempt to promote *Yampara* design to a tourist market (*indicator 2*).

The quote further indicates a self-defined understanding of development. His words echo the integrated socio-cultural-economic goals of many indigenous communities around the world—rather than seeking economic development oriented strictly to

individual gain and monetary income, he indicates that the economic initiatives aim to preserve culture and a way of life for current and future generations (*indicator 5*). A woman who is also a member of the association's board of directors confirmed that the group shares a common vision of finding ways to keep their community and culture alive:

When people move to the city, children stop speaking the language and they no longer know how to grow their own food. We want our children to be able to stay here and keep our culture (local interviewee 7, 2011).

6.3.3. Building from local assets

The artisanal initiative is asset-based in two main ways. First, the textile design and weaving method uses existing knowledge of women in the area (*indicator 3*). Second, the technology for weaving the textiles is a handheld loom, shown in Photo 7, made with locally available materials (*indicator 3*) that do not entail any output of cash. A demonstration showed that the loom is a very simple technology from historical times.³⁵



Photo 7: Hand-weaving method

Note: Photo: K. Hernandez, 2011.

³⁵ The loom is made of rough sticks of wood tied together to form a rectangular frame. Two wooden poles are inserted crosswise to hold the weaving in place. Woolen threads are stretched vertically across the frame, and the weaver pulls threads through horizontally with a large wooden needle to form the tightly woven patterns.

6.3.4. Income generation

The existing assets of the community—both natural and human assets—have been leveraged to create economic benefits for the artisanal members (*indicator 4*). One member explained that, previously, the only source of cash for community members was selling surplus agricultural products. Since each family only has about two to five hectares of land, it is difficult to produce above a subsistence level. Furthermore, products like potatoes and barley do not command high prices in the local marketplace in Tarabuco. “We have a way to get an income now,” says one of the members.

Exactly how much money the members earn from participating in the association is not clear; however, they do indicate that it provides some cash income. “It is not enough,” says one member, “but it is something.” When asked what the income is used for, most say they buy food items that they cannot produce, such as cooking oil, rice, and salt. One woman says she uses the income to pay for school materials for her children, and a couple of other women nod in agreement as if to indicate that they too use their income in this way. These responses indicate that there are social benefits derived from the income, namely in more food security and access to education (*indicator 4*).

6.3.5. Improved understanding of markets and marketing

When asked about the achievements of the association, the members quickly list what they have learned. “We have gained experience in setting up for selling in the market,” says one woman. “We know how to organize ourselves,” says another. “We have a better understanding of what people want to buy,” contributes a man. Knowing the market, knowing how to work together, and knowing how to sell to tourists are examples of improved local capacity for engaging in entrepreneurship and sales. In other words, the initiative is helping to mobilize the potential assets of the community—its people (*indicator 3*).

Nonetheless, members indicate a need for training in several areas related to business management and accessing tourist markets. The initiative will therefore need external support in several capacities to achieve its full potential.

6.3.6. *Place-based economic diversification*

The Churicana artisanal association is unquestionably an example of creating economic activities that are rooted in a particular place. The products are based on designs that are from and of the *Yampara* culture, from this place; they are a material expression of the rich history of a people who have lived in this area for thousands of years (*indicator 5*). Significantly, the association is diversifying the local economy enough to have an impact on out-migration. One woman proudly points to the three young women who have come out to the meeting:

Twenty of our young people have stayed in this community because of this [the artisanal association]. They have a way to make a living (local interviewee 7, 2011).

This is anecdotal evidence without confirmation from statistical data, but there is no reason to think that the information is inaccurate. Likely, the sales of artisanal products are creating sufficient incentive and benefits to allow its members to continue living in this remote rural community (*indicator 6*). Indeed, the members confirm that they all live in the community full-time, in stark contrast to the members of the Chañojagua agricultural co-op.

The association currently operates without any external financial support (*indicator 7*). Members buy the materials for their products from their earnings. However, members did indicate that they cannot buy enough materials to expand production and that they would like to access financing to grow. Growth could include producing more for sale in Tarabuco, but ideally, they would like to access markets at a national level by participating in craft fairs or having a storefront in another location. They would also like to have a community museum in their local area to attract tourists.

6.3.7. *Appropriate technology*

The technology used to produce the artisanal goods is clearly appropriate to the natural and human environment (*indicator 8*). As described above, the handheld loom has been used by people in this area for hundreds of years, and uses minimal natural resources to build and operate. However, at this time, the artisans do not produce enough wool locally to meet all their production needs, and are therefore buying wool from outside

sources. Similarly, they only make one colour of dye from local plants; the other dyes are purchased. Historically, all materials would have been produced locally from the plants and animals in that place. Environmental damage from commercially manufactured dyes is likely, especially given the lack of adequate water supply or waste disposal systems.

6.3.8. *Highly participatory*

This initiative rates the highest of the three case studies on both of the indicators for participation. First, the idea for the initiative came from a local leader. The planning and implementation are entirely managed by community members who form part of the association (*indicator 9*). While they do work with the municipality and an NGO called PROAGRO, these external actors do not direct any of their decisions or activities.³⁶ The decision-making processes of the association appear to be highly inclusive. Observation showed that decisions in the group are made by consensus, with open discussion on each topic and confirmation that everyone present agrees with the proposed plan of action (*indicator 10*). The two board members interviewed confirmed that they strive for consensus as much as possible, although they said they would use majority vote if they cannot achieve consensus. Significantly, women participate in the meetings at least as much as the men, in contrast to Chañojahuá (*indicator 10*). It is possible that this different approach to women's participation may relate to the *Yampara* culture, or it may be that the association is more informal than the agricultural co-op and therefore that meetings are more like a family discussion than a formal community meeting.

6.4. Tomina characteristics and benefits

The Tomina oregano co-op is part of a larger initiative involving five producer co-ops, a Canadian NGO (SOCODEVI), a Bolivian foundation (FDTA-Valles), a regional cooperative association (AGROCENTRAL), and a for-profit enterprise called UNEC. As described in the previous chapter, SOCODEVI arrived in Bolivia seeking to work with existing co-ops on value-added crops and strengthening of the co-op sector. The San Mauro Co-op in Tomina became an active partner in building the capacity of local farmers

³⁶ Chapter 6 explores the role of PROAGRO and the municipality in the Churicana Association in depth.

to grow and dry export-quality oregano for the Brazilian food processing industry. In 2002, the co-op had eight active members; in 2011, it had 180 active members, all of whom are now oregano producers. UNEC, the social enterprise co-owned by SOCODEVI and the five producer co-ops, manages the production of oregano seedlings, manages collection points for oregano crops, processes the product, and distributes it to the market. The Canadian NGO provides funding and strategic support for expansion and diversification.

The Tomina oregano initiative exhibits triple-bottom-line objectives, seeking to improve local incomes, social well-being, and to do so in ways that are financially and environmentally sustainable (*indicator 1*). These objectives are explicit in the Mission Statement of SOCODEVI:

Through the involvement of its member institutions and through promotion of the cooperative movement and other forms of association, SOCODEVI *contributes to sustainable development* in partner countries with a view to empowering their inhabitants. We measure our success by the extent to which the enterprises we support become *models for their sustainability* and the benefits their activities provide. Our ultimate goal: *improved living conditions for the communities* that we support. (SOCODEVI website, Our Mission).

More importantly, the triple-bottom-line objectives are evident in the strategies and practices in the oregano initiative. UNEC's plan to become financially self-sustaining without outside financial support is indicative of the economic bottom-line. Social objectives are incorporated throughout the initiative:

- Creating income for locals (contributes to: poverty alleviation and population retention)
- Creating healthy, capable local institutions such as the oregano cooperative (contributes to: local capacity for self-management, human resources)
- Building the knowledge and skills base of local producers and UNEC employees (contributes to: human resources, local capacity for self-management)
- Diversifying the local economy (contributes to: poverty alleviation and population retention)
- Focusing on a crop that allows for most of the small land holdings to be used for food production instead of for cash crops, due to its high market value (contributes to: food security and population retention)

Environmental objectives are incorporated in the kinds of appropriate technologies that are being developed for the local production and processing of oregano, discussed in more detail below. Further, the promotion of multiple crops in each piece of land, allowing for crops to be rotated between sections of the land, contributes to soil quality and prevents erosion.

Culture and cultural objectives play a minimal role in the Tomina initiative compared to the other two cases. Preservation of indigenous or traditional culture is not included in the objectives of any of the organizations involved (*indicator 2*). The co-op's product (oregano) is not a traditional crop, and therefore does not contribute to cultural preservation in the way that Churicana's weavings or Chañojahuá quinoa and potato crops do. Traditional cultural beliefs and practices do not appear to play a role in the governance structure of the Co-op, nor in the ways of carrying out the agricultural work (*indicator 2*). Local governance is comprised of the Municipal Government, elected democratically and operating in accordance with Western norms, and the local branch of the national *campesino* union, the CSUTCB. The traditional authorities' model of rotating leadership by family does not exist here, unlike Chañojahuá and Churicana. Agricultural work is done exclusively by individual families, without the collective work parties evident in Chañojahuá.

On the other hand, the oregano initiative does allow for a rural, more community-based lifestyle to continue. The employment and income generated by oregano growing and processing (discussed in more detail below) means that people can stay in the country or even move back from the city. One producer indicated that he had previously lived in Sucre, about three hours away, where he worked driving taxi. He said that he earned a higher income from driving taxi than from growing oregano, but that he preferred to live on his land. And so he returned:

I came back because here the people know me, I have few expenses, and the oregano sales are guaranteed (local interviewee 13, 2011).

This producer lives with his wife and five-year old child on about 2 hectares of land. He indicated that they are able to grow most of the food they need to survive using 80-90% of their land; while also growing oregano on about 10-20%.

The co-op president stated that many people have returned to the area due to the oregano production option:

Even though they make less money than in the city, they like to live here. It is better here. The oregano makes this possible (local interviewee 12, 2011).

As such, the oregano initiative contributes to retention of a more traditional way of life; one that is rooted in the land, in living where one's ancestors lived, and feeling part of a community of people with a common identity based in shared history (*indicator 2*). The initiative can also be understood as asset-based. The producers owned land (an asset), but small plot size was a challenge to creating sustainable livelihoods. The focus on a high value crop allows the small land holdings to achieve their full potential as sources of income (*indicator 3*). The producers had knowledge of farming, and this asset could be mobilized with just a small amount of training to grow a new crop (*indicator 3*). Finally, the initiative built on existing local organizations—AGROCENTRAL and the San Mauro cooperative—again mobilizing existing resources or assets as agents of local economic development (*indicator 3*).

The Tomina Oregano initiative has the strongest and broadest economic benefits of the three cases. The benefits of the initiative are apparent at the level of the individual farmer and their family (*indicator 4*) and at the level of the local community (*indicator 6*).

6.4.1. Benefits for individual farmers and their families

Four main benefits of oregano production for farmers and their families emerged in conversations with the co-op president and the UNEC general manger:

- income generation;
- improved food security;
- reduced impact of market fluctuations; and
- increased access to health and education services.

Income Generation: The average oregano farmer sells three harvests per year, earning a net income of about \$250 US annually³⁷ (*indicator 4*). The UNEC manager and co-op president say that previously, the only source of cash income for local farmers was from selling eggs or the few potatoes not used for consumption. Eggs and potatoes are low value agricultural products, providing an income insufficient for family survival. As a result, many people migrated to other areas of the country for agricultural work, or to urban areas to work in transportation or the informal economy. Oregano production is therefore an important income generator for local farmers (*indicator 4*).



Photo 8: Multiple consumption crops grown alongside oregano crop
Note: Photo: Villeneuve, 2010.

Improved food security: One of the most significant benefits of oregano as a crop is its relatively high market value compared to other local crops. The co-op members can earn more income using 10% of their land for oregano production, than using 100%

³⁷ The pricing and income breaks down like this. The oregano seedlings cost 7 centavos each (about a tenth of one cent US). Each farmer purchases the seedling on credit from the Tomina Co-op, but he or she only has to pay back the actual cost with no interest charged. To plant one tenth of a hectare with oregano seedlings for one year—that is, three crops—it costs 350 Bolivianos (about US \$50). The total production over one year is 250 kilos of oregano. UNEC pays 10 Bolivianos per kilo so the farmer has gross sales of 2500 Bolivianos (about US \$350). The production costs are 25-30% of gross sales. Therefore, the average farmer earns \$245 US net income per year (\$350 times 70%).

for traditional crops like potatoes. Most importantly, they earn this income while retaining 90% of their land for food production. Photo 8 shows an example of multiple crops for consumption being grown alongside an oregano crop. The combination of cash income with food production for family consumption creates a viable way of life (*indicator 4*). Since farmers in the area own an average of just one to two hectares of land, cash crops that used all of their scarce land did not provide enough income to replace the lost food production. The oregano crop is therefore a strong contributor to food security for families.

Reduced impact of market fluctuations: UNEC uses a fair trade methodology for pricing, by setting a guaranteed purchase price for oregano. Farmers know how much they will earn from each crop when they purchase the seedlings, allowing them to plan accordingly (*indicator 4*). In other words, UNEC takes the risk of fluctuations in the market price, which is considered to be an important strategy for reducing the vulnerability of small producers.

Access to health and education: The producers interviewed for this field research report that they are now able to pay school fees for their children. In particular, they stated that their children can attend school beyond grade six, since they can now afford the fees and transportations costs for the secondary school in the town of Tomina (*indicator 4*). They also say that they are able to get health services more often, and can provide better nutrition for their families (*indicator 4*). Adolescents can also work directly at the processing plant during busy times, to earn income toward their living and education expenses, according the UNEC general manager (*indicator 4*).

6.4.2. Benefits for the local area

The benefits of the oregano initiative at the local level are also evident in:

- Employment generation;
- skills development;
- local revitalization;
- backward and forward linkages; and
- development of appropriate technology

Employment Generation: In the five municipalities involved in oregano production, self-employment has been generated for at least 1200 oregano producers (*indicator 6*), with about 180 of these located in Tomina. UNEC itself employs 76 local people (*indicator 6*). Sixteen people are employed full-time in the greenhouses and processing plant, and another 50 work part-time to prepare the seedlings for planting. Photo 9 shows two women preparing oregano seedlings for sale.



Photo 9: Employment generation

Note: Local women work at UNEC preparing oregano seedlings. Photo: S. Travers, 2011.

Skills Development: The manager of the processing plant is from Tomina, shown in Photo 10, as is the manager of the greenhouses. Originally, these positions were held by Bolivians from outside the area, but over time, the company strategically trained local people to have the knowledge and skills to take over these positions. This contributes to the positive economic impact of the enterprise through higher salaries for locals (*indicator 4*), to the potential for sustainability of the operations through local expertise, and to the likelihood of this venture ‘staying in place’ (*indicator 6*). The greenhouse manager is female and the processing plant manager is male, indicating management opportunities without gender bias.



Photo 10: Skills for local management

Note: Local man manages the processing of oregano crops. Photo: S. Travers, 2011.

Local Revitalization: Anecdotal evidence suggests that about 60 people have returned to Tomina to produce oregano (*indicator 6*). Several sources report that before the oregano, there were only one or two small stores in the community. Local circulation of currency, causing multiplier effects, was almost nonexistent. Today there are several restaurants and small stores in the community, where people spend money earned through this initiative (*indicator 6*). Two small hotels have opened to accommodate the international and Bolivian visitors related to the oregano project (*indicator 6*). UNEC creates employment opportunities for young people in the greenhouses, seedlings processing, and oregano processing operations. The manager of the processing plant is in his early 30s, for example. This contributes to retaining a young population in a rural area. In addition to the obvious economic diversification brought about with the introduction of oregano as a cash crop, the Co-op and SOCODEVI are exploring ways of diversifying the local economy further. The focus continues to be on preserving the model of small producers feeding into a common marketing and processing agency. A pilot project to produce eggs and chickens for the Sucre market is underway, with good indicators of success so far (*indicator 6*).

Another example is a savings and loans cooperative that was in the planning stages when the field research was conducted. The need for this service is obvious. In

the words of the co-op president, “The producers do not have bank accounts. Their savings are in the oregano or in a cow” (local interviewee 12, 2011). Cows and crops are vulnerable; cash savings will provide a stronger base for economic resilience in the local area (*indicator 6*).

Backward and Forward linkages: The oregano business in Tomina creates economic benefits up and down the value chain within Bolivia. One example is the trucking companies based out of Sucre that delivers the product to Brazil. Another example is the machinery manufacturing industry in the city of Santa Cruz. UNEC designed the machinery for processing oregano, and ordered these machines from companies in Santa Cruz.³⁸ Parts and related inputs are ordered on an ongoing basis.

Appropriate technology: Both environmental and financial sustainability are significant components of the goals and strategies of the Tomina Oregano initiative. UNEC is constantly engaged in research and development of better technologies and diversified crops. In particular, they strive to develop technology appropriate to the local context (*indicator 8*). All the systems for growing and multiplying the seedlings, the oregano dryers and separators, and even the machines for processing the oregano were developed by UNEC through trial and error. These systems are highly tuned to what is available in that area, for a low cost, and readily useable by local people (*indicator 5*).

The oregano drying technology is an interesting example. Oregano must be dried rapidly or it turns black (this is the point in the process with most risk of losing quality). Originally, UNEC brought in industrial dryers that are used to dry tobacco in Cuba, and manufactures in Canada. These dryers were inappropriate in the local context for several reasons. They were costly to obtain (\$7000 each plus shipping costs); costly to operate (requiring both gas and electricity for power); and unreliable (because electricity supply in this area is erratic). Further, having the dryers only in one central location meant farmers were losing too much of their crop between harvesting and transfer to the collection point. UNEC worked in consultation with co-op members to invent a kind of dryer made that can

³⁸ Santa Cruz is located about 500 kilometers from Tomina, and is the centre of the agricultural industry for the country. It is the only place where agricultural machinery is manufactured and is the heart of agricultural processing for the country. The oregano processing plant in Tomina is one of the few agricultural processing plants outside of Santa Cruz.

be easily built with existing local knowledge, and that use only solar energy (*indicator 8*). These “hand-crafted dryers” (*secadores artesanales*) are built from adobe bricks made of locally available materials, visible in Photo 11. The oregano dries over three to four days, and each producer has a dryer on his or her land.³⁹ As a result, the producer now has more autonomy to control the quality of the crop and the timing for harvest and for transport to collection centre. Environmental sustainability is incorporated in the use of solar power for drying and the use of adobe (locally available) materials in its structure (*indicator 8*).



Photo 11. Locally designed oregano-drying shed

Note: Locally-invented drying shed, with a farmer / owner at the door. The adobe material used for construction is visible. Photo: S. Travers, 2011.

6.4.3. Sustainability

Another dimension of sustainability, particularly in the case of a social enterprise, is its degree of financial self-sufficiency and solvency. Social enterprises typically have higher costs than standard enterprises, due to their need to invest in communities and regions that have been highly underinvested. In other words, they start from a kind of deficit position in terms of the capacity of the available human resources and infrastructure. In the case of a geographically marginalized community, such as a rural

³⁹ Each dryer costs \$1000 US to build. UNEC puts in \$500 US for the materials that need to be purchased, while the farmer contributes the adobe and labour.

area located at a distance from markets, costs of transportation or other inputs may be high. While a company operating exclusively on a basis of profit would not choose to operate in such a location, the socially purposed enterprise chooses this place due to its socio-economic challenges.

The UNEC general manager reported that the company is achieving about 60-65% cost recovery.⁴⁰ UNEC pays the farmers about us\$1.44 per kilo of oregano, and the costs of running the processing plant and transporting to market are about \$4 per kilo. The total cost, then, of each kilo of oregano is us\$5.44. The manager admits that the buyer does not pay this much for the product, although he cannot disclose the selling price. In other words, they are currently operating at a financial loss (*indicator 7*). The manager says that this is because they are currently expanding from 1200 to 4000 oregano producers. Training the farmers and expanding processing and collection operations, all require an investment that cannot be covered by sales alone.

Any company that is in an expansion phase tends to operate at a loss, with future earnings as the basis for investment. The difference with a social enterprise is the investment may often come from public funds, rather than private investment. In the case of UNEC, the public funds are from international aid, in particular from the Canadian International Development Agency (CIDA), which is providing \$7 million to SOCODEVI over five years (2010-2015) to expand the number of farmers involved in producer co-ops in Bolivia and Peru, as part of a larger poverty alleviation strategy.

Some social enterprises never achieve full cost recovery due to costs related to incorporating marginalized people into the enterprise, through training or other kinds of support, which is not financially viable from a purely market perspective. However, UNEC's calculations project future earnings high enough to cover the costs of running the company and to make a small profit, and plans to be fully self-sufficient by 2015 (*indicator 7*).

⁴⁰ UNEC sells 150 tons of oregano annually, with total gross sales of about \$500,000 US. They plan to reach \$750,000 US in sales by 2018.

6.4.4. Participation in decision-making

Decisions about UNEC are made by a board with representation from the five co-ops and SOCODEVI. Within the Tomina Co-op, day-to-day decisions are made by the board that is elected at the annual general meeting based on the 'one member one vote' principle (*indicator 9*). Inclusion is evident in a key area—namely, women's *economic participation*. Although the majority of co-op members are men (75%), this nonetheless means that a one quarter is female members who have their own parcels of oregano (*indicator 10*). These may be female-headed households, or families where the man is working outside the community and the woman maintains responsibility for the farm. In addition, the social enterprise UNEC hired women exclusively to do the work of taking care of the oregano seedlings and preparing them for planting. As described above, the women operate in a kind of SoIE, rotating the groups of women who work in on any given day, so that 50 women have part-time work rather than 10 women having full-time work (*indicator 10*).

6.5. Challenges

The three local SE initiatives share some common challenges, as well as facing particular issues related to their location, history, and available resources. The challenges can be categorized as human (knowledge, capacity), geographical (location), and structural (institutions, markets). The institutional category is explored in depth in Chapter 6 and therefore not included here. This section explores the common challenges first, and then the challenges specific to each of the three initiatives.

6.5.1. Common challenges

The three case study initiatives share challenges common to land ownership systems in Latin America. Agricultural reform policies in Bolivia have shaped the current land tenancy situation, as in many places in Latin America like Mexico, Peru, and Chile. During the Agricultural Reform period in the early 1950s, the MNR government took over large haciendas from their owners. These large landholdings were broken into smaller parcels of land and given to the people who had been working the land on behalf of the owners. In the highlands of Bolivia, *campesino* families received an average of twenty

hectares each. The original land parcels are subdivided between siblings, however, resulting in smaller and smaller land holdings each generation. In Bolivia today, 53% of landholdings are less than three hectares (Berdegué & Fuentealba, 2011).

In the three case study communities, community leaders reported the landholding sizes as follows:

- Chañojahuá: average landholding is 5 to 10 hectares per nuclear family.
- Churicana: average landholding is 3 to 10 hectares per nuclear family.
- Tomina: average landholding is 1 to 2 hectares per nuclear family.

According to various sources interviewed in Bolivia, three hectares is sufficient for subsistence farming. However, families tend to suffer from malnutrition by subsisting mainly on root vegetables. Additionally, with only three hectares of land or less it is not possible to earn sufficient cash income to cover other needs such as health, education, clothing, or purchasing supplementary food. In Churicana and Chañojahuá, families with 10 hectares of land could do fairly well if they were sufficiently irrigated and the soil were of good quality. However, the local residents in both communities reported that their land does not produce well—it is full of rocks and very dry.

A second common challenge relates to climate change. As per a study conducted by Oxfam GB in 2010, Bolivia is “particularly vulnerable to the effects of climate change” due to its high poverty levels; deforestation of the Amazonian region; and rapid melting of the glaciers of the Andean mountain range (Pettengell, 2010, p.2) People interviewed in the three communities spoke of changing weather patterns that are effecting rainfall patterns and the timing of seasons. In Chañojahuá, they suffer either drought or excessive rainfall. In Churicana, they no longer have a rainy season that is distinct from the dry season. Rather, they experience random rainfall and long periods of drought. Tomina is not facing the same extremes in climate change, but the co-op president and a producer stated that they no longer are sure when the rainy season will start or end.

In Chañojahuá and Churicana, they spoke of losing their knowledge of when to plan or harvest, as the traditional knowledge of the seasons that passed down through generations becomes less and less relevant due to climate change. Such challenges are compounded by an overall lack of irrigation systems in these two communities. Tomina

fares better as the local river maintains water year round—farmers are able to use the traditional irrigation method of digging trenches from rivers to their land, then blocking the water with large stones when they do not need it, and then opening up the stream to flood their fields when they need watering.

In addition to these geographical and structural challenges, national and municipal government policies and procedures can impede local SE initiatives. These government-related issues are explored in detail in the next chapter. The next three sections of this chapter explore the challenges specific to each place.

6.5.2. *Chañojahuá-specific*

The Chañojahuá co-op members would like to start-up a collective enterprise of some kind. Members expressed a strong desire to engage with markets by producing more and by adding value to their crops. However, they indicated that they do not know how to find out what they could sell (i.e., to find market niches or high value crops). Nor do they know how to access capital to achieve their three main goals: to increase production, improve storage facilities, and create value-adding processing for agricultural crops.

Their described goals appear to correlate with the concept of Community-Based Enterprise (CBE), defined by Peredo and Chrisman (2006) as a community acting entrepreneurially to create and operate a new enterprise embedded in its existing social structure in pursuit of a common benefit. Research shows that CBEs can mobilize the power of working together to yield both group and individual benefits (Peredo & Chrisman, 2006), and that this form of entrepreneurship can address social, environmental, and cultural considerations alongside economic ones.

Their primary obstacles to achieving their full potential for a viable local economy that meets social and cultural objectives can be classified as structural and human resources issues, as follows:

- Lack of financing for infrastructure such as irrigation, storage facilities and agricultural processing facilities (structural issue—identified need by co-op members)

- Lack of financing for seeds or fertilizers (structural issue—identified need by co-op members)
- Low prices for traditional agricultural products in local markets (structural issue—author’s analysis, based on the prices in Viacha and El Alto for potatoes, chuños and tuntas, and based on co-op members statements that they cannot make enough selling potatoes)
- Lack of knowledge on how to reach new markets or identify market niches (human capacity issue, and structural issue related to access to information)
- Lack of sufficient person power due to out-migration (human resources issue, related to structural issues of land tenancy and marginalization of indigenous peoples from economic structures historically)
- Lack of business knowledge—such as market research, market testing, marketing, or financial planning (mainly a human resources issue)
- Lack of strategic vision—while the co-op members have vague ideas that they would like to find a way to generate more income and keep people in the community, there is no clear vision of what that would look like or how it could happen. Two co-op board members said that they would like to find external support to facilitate participatory planning for their community and co-op (mainly a human resources issue, with a lack of knowledge of how to do planning, but also a lack of access to information on possibilities and opportunities).

6.5.3. *Churicana-specific*

The members of the Churicana artisanal association share a common strategic vision of promotion their culture as a way to generate income, value and retain their historical identity and cultural practices, and to diversify their local economy so that more people can ‘stay in place.’ This shared vision is strength for the community and the initiative. One of their most significant challenges is related to markets. Members reported that tourists are accustomed to buying crafts for low prices in Bolivia. They price their wall hangings at \$90 to \$200, depending on size and level of detail, but many tourists refuse to pay this price. One member says that the tourists seem to think they are being cheated, “but it takes me sometimes three months to make it”, she says. Another member says

that she began making small beaded earrings so they could have something to sell more easily; the earrings sell for \$1.25 and take about a half day to make.

A related challenge is that they cannot speak to the tourists to tell them about the history, meaning, and labour embodied in the weavings. Many members have basic Spanish and no English. The Municipal Government is trying to help by building a small museum in Tarabuco that will explain the history and traditions of the *Yampara* people. High quality artisanal products such as wall hangings would then be sold in the museum itself, in a space embedded with value for art. The president of the artisanal association is working with the municipality's economic development team on this project.

The members also said that they would like to gain more knowledge about what tourists want to buy, referring to a lack of available information or resources to identify and respond to market demand. Like many small producers in Bolivia, products are made because people know how to make them and then brought to market. Market research is virtually unknown. The co-op president further indicated that the members do not know how to do accounting or bookkeeping, how to manage or invest funds, or generally how to manage finances.

The remote location and lack of transportation infrastructure provides multiple challenges to the success of the association. A female board member described how they have tried to make a small community museum right in Churicana—waving a hand toward a long, low building of adobe with a straw roof (see Photo 12). However, she said that the road is too bad for tourists to come to visit their museum. She also indicated that they do not know how to reach the tourists to invite them—in other words, there is a lack of knowledge and linkages with appropriate institutions to market themselves as a community tourism destination.



Photo 12: Community museum in Churicana

Photo: G. Hernandez, 2011.

The poor transportation infrastructure is a geographical and structural challenge for Churicana residents. Geographically, the remote location of the community augments the costs of transportation to markets, in money and time. Remoteness also creates a lack of access to networks, institutions and information, which tend to agglomerate in dense settlements. Structurally, the terrible road conditions and lack of public transportation to this community create social and economic marginalization.

Lack of access to financial resources poses another challenge to association members. Several spoke of not having enough money to buy primary materials and production inputs. For example, some of the dyes are still made locally through traditional methods with locally gathered plants. However, they do not make many colours, and their sheep do not produce sufficient quantity or quality of wool. And so they buy pre-dyed wool for much of their production. Although there are organizations offering micro-credit within the municipality, members expressed concern that the interest rates would erase the small profit earned on each piece sold.

Although Churicana residents have significant knowledge of textile design and production with traditional technologies, they would like to produce some goods on industrial machines. This would create products that are made faster, and can be sold at a lower cost, providing higher turnover on sales (quantity over quality). They would like to also continue with the labour-intensive, traditional textiles as a niche, higher-end product. However, they lack the financial resources to purchase machinery, the electricity to run machinery, and the expertise to operate the machinery.

6.5.4. *Tomina-specific*

Co-op members interviewed for this study thought the price paid to them for oregano was too low; they would like to receive more per kilo. They further indicated that they do not know how much UNEC sells the oregano for, as this is subject to a confidential contract with the buyer. The UNEC manager cited the need for further diversification of the local economy—relying on only one crop is risky. Some steps to diversification have been taken by the company: ongoing research on various herbs for suitability as a cash crop; developing pilot chicken-raising business to break into the Sucre market; and developing new technology (the adobe oregano drying sheds) that could be sold to other regions for similar agricultural products. However, there is significant work to needed to create a truly diverse economy in the local area and region.

My own analysis reveals three other challenges or weaknesses in the oregano operations. First, reliance on a single buyer for all the oregano is problematic. UNEC indicates that all oregano processed in their facility is purchased by Knorr in Brazil. While it is clearly positive that Knorr has identified their oregano as the highest quality in South America, and indicated that they can buy up to 3 times more oregano than current levels, it is nonetheless risky to rely on one buyer alone. Diversification of market creates greater resiliency for UNEC as an enterprise, and for the local economies involved in oregano production. Second, UNEC continues to operate mainly as an extension of SOCODEVI, with continued reliance on donor grants for research and expansion. Grants imply constraints based on funder requirements. There are indications of increasing collaborative decision-making between UNEC and the co-op board. However, producers do not have significant input into how the company runs; strategic decision-making; or other dynamics like pricing that affect their daily lives. Greater participation would help to

develop greater agency and less dependence, as well as increased transparency, for the producers. This relates to the issue of local ownership of the project. At the time of the research, there was no local person with the capacity or skills to manage UNEC, nor were there evident plans in place for transfer of ownership to local actors. The question therefore arises as to what will happen if SOCODEVI runs out of funding for this project—how would the manager be paid? Who would run the company? Would the entire operation dissolve?

6.6. Analysis of Findings

This chapter has shown the characteristics, benefits and challenges of the three case study initiatives. It has shown that the initiatives share some common goals and features, but also have significant differences between them. For example, all three initiatives share goals of rural revitalization (including population retention or economic regeneration). They share goals of working collectively to overcome challenges of: small productive capacity; distance from markets; and vulnerability of commodities to market fluctuations. They differ in whether or not they specifically seek to retain or regenerate indigenous culture. Churicana has the most orientation and success in this regard. They differ in degrees of market orientation, access to finance, technology, and external support. Tomina is most market oriented and has the greatest degree of investment, technological development and support. The initiatives face similar challenges such as: finding a market niche (they are small, they cannot reach mass markets); lack of rural infrastructure; and need to build local capacity in marketing and management.

The cases were analyzed in terms of their CED characteristics to identify benefits and challenges. Each of the components of the AIPIS lens will now be analyzed in turn.

6.6.1. *Asset-based approaches*

Building from existing assets is a fundamental principle of CED. These assets include social capital (relationships, trust, and organizations), human capital (knowledge, health, and relationships), physical capital (man-made), and natural capital (natural resources). The asset-based approach seeks to find what is particular to each place that can be the base for creating competitive advantage (Markey et al., 2012). Strategies and

initiatives can then be developed that build on these assets, in keeping with the priorities of local people. Analysing the cases using the APIPS lens, it is possible to that all three cases are *asset-based* in that they respond to the natural environment, local culture and knowledge, and existing informal and formal institutions and practices (see Table 19).

Table 19: Asset-based approach

CED principle	SSE indicator	Chañojahuá	Churicana	Tomina
Asset-Based Approach	<i>Indicator 3</i> Based on existing and potential resources of the community (human, physical, natural)	yes—builds on existing human, social, cultural, and natural capital	yes—builds on existing human, social, and cultural capital	yes—builds on human, social, and natural capital
	<i>Indicator 4</i> Results in improved incomes and/or other economic benefits (such as food security) for members	yes, to a small degree—improves food security	yes, to a medium degree—generates cash income	yes, to high degree—improves food security, generates good cash income

Chañojahuá builds on existing human, social, cultural, and natural capital—by mobilizing existing knowledge of crop cultivation and procession (human capital); manifesting from a collective organization and relationships between community members (social capital); using and maintaining traditional practices (cultural capital); and growing food on land in their local place (natural capital). Churicana builds on existing human, social, and cultural capital—knowledge, organization, and relationships within the community, and material manifestations of culture (the artisan goods). Tomina builds on human, social, and natural capital—knowledge of the land and agricultural practices, a collective organization and relationships between co-op members, and planting oregano on the local land base. Tomina and Churicana also strengthen human capital because they are building new knowledge such as how to cultivate and process oregano or how to market to tourists.

However, it is not enough to mobilize local assets. The mobilization also needs to create a flow of benefits within the local area that are mutually reinforcing. In the case of Chañojahuá the most significant impact is social cohesion. The co-op’s activities bring people together in the centre of the community to plan and act together, and provide identity through shared cultural practices such as the *apthapi*. Chañojahuá has some

small impact on families' material needs through increased food supply year-round. However, this initiative does not have any significant impact yet on revitalization of a local place, and does not have much potential to reach markets unless they change their products and develop external linkages for resources, financing, and market access. Even if their main goal is increased food security, they need access to more finance for agricultural inputs and irrigation.

In Tomina, scientific research, appropriate technology, and the combination of several forms of institutions working collaboratively together has allowed them to achieve impacts on the family (income, education, food security), community (building of cooperative, cooperative store), and local area (population retention, spin off economic activities). Churicana mainly has impacts at the family level (income), but some small impacts on community (retention of youth) and local area (contributing to attracting tourists to a unique indigenous market in Tarabuco).

6.6.2. *Participation and inclusion*

While all the initiatives value participation in decision-making, there was variability in the degree of participation and community control among the examples, as shown in Table 20.

Table 20: Participation and inclusion

CED principle	SSE indicator	Chañojahuá	Churicana	Tomina
Participation and Inclusion	<i>Indicator 9</i> Bottom-up process from envisioning, to planning, to implementation (self-managed)	yes—entirely self-managed	yes—entirely self-managed	no—started by external actors
	<i>Indicator 10</i> Inclusionary—any or all community members can participate and do participate actively and freely in decision-making and benefits	yes—although only males are official co-op members	yes—membership and decision-making are open to all community members	yes—all community members can participate, but decision-making is partially externally controlled

The Tomina case had the least community control, at least in the beginning stages of the project. However, a collaborative approach between the NGO and cooperatives is

evident, as well as increasing participation in decision-making by local level leaders. The co-op members, however, showed some evidence of feeling that they do not have much control over UNEC and its operations, such as complaining about the low prices and the quality demands placed on them by the company.

In terms of moving away from dependency toward self-management, Chañojahuá is weak in this regard. They are looking for a government or NGO to provide funding for seeds or other agricultural input and seem to feel unable to make this happen. Clearly, this community needs external support. They had some vague ideas of wanting to use their land more productively and to enter into some commercial markets with agricultural products. However, they did not have a plan of action, did not know how to do a feasibility study, and they lacked seeds and other agricultural inputs to increase production. On the other hand, they are entirely self-managed. The agricultural co-op is inclusionary in that any community member can belong, and all can participate in decision-making meetings and the benefits of collective cultivation. However, women tend not to be included as official members of the co-op. Churicana is medium to strong in this regard, they decided themselves what they would like to do and are evolving through trial and error. They seek outside support, but for specific things, they do not expect external actors to solve their problems. Tomina is medium to weak in this aspect because they are definitely engaged in self-help (growing their own crops to remain on their farms, selling to a market) and not looking to government to fix the community's problems. But they remain heavily dependent on the management at the social enterprise to do all the marketing / sales / shipping of product and on the NGO for funding for training, and expansion of operations.

6.6.3. *Integrated development goals*

The three initiatives encompass *integrated (multiple bottom-line) goals* such as income generation, population retention, food security, cultural preservation, and local revitalization (see Table 21). In the case of Chañojahuá and Churicana, the initiatives also serve to value and to strengthen traditional governance models such as rotating leadership and consensus-based decision-making.

Table 21: Integrated development

CED principle	SSE indicator	Chañojahuá	Churicana	Tomina
Integrated Goals	Indicator 1 Objectives and strategies include social, economic, and environmental dimensions	yes—social and economic dimensions	yes—social, economic, and cultural dimensions	yes—economic, social and environmental dimensions
	Indicator 2 Incorporation of culture in objectives or structures (i.e., language, arts, governance, values, ways of life)	yes—ways of life and governance	yes—material culture, governance, ways of life	no—except insofar as includes retention of community-based rural way of life

All three of the initiatives have integrated objectives that involve economic goals, but also social and/or environmental goals. Churicana and Chañojahuá specifically incorporate cultural retention or strengthening in their objectives, aligning them conceptually with indigenous entrepreneurship.

6.6.4. Place-based development

The three initiatives are place-based in the ways they focus on developing local, community-based economies. For example, the Churicana artisanal association and the Tomina oregano co-op diversify and add value to local products. Indigenous initiatives are also place-based in another way, owing to the importance of land to their societies. As Anderson, Dana, and Dana (2006) observe, “traditional lands are the ‘place’ of the nation and are inseparable from the people, their culture, and their identity as a nation” (p. 46). Thus, being able to live viably in traditional lands is an important foundation for retaining identity and culture. The case studies assessed according to the place-based indicators are shown in Table 22.

Table 22: Place-based development strategies

CED principle	SSE indicator	Chañojahuá	Churicana	Tomina
Place-Based Strategies	<i>Indicator 5</i> Self-defined conception of development ('fit' with local context)	Yes—but vision needs to be strengthened	Yes—but needs to be grounded better in market demand or in creating market niches for their products	Partially—the original idea was externally generated, but local actors were part of refining and implementing the idea
	<i>Indicator 6</i> Creates a strengthened local economy that will 'stay in place' (e.g., local economic diversification, local ownership)	No—but has potential to do so	Yes—to some extent	Yes, to great extent

The three initiatives have many facets that correspond to effective place-based development strategies. In terms of 'fit' with the local context, all three cases arise from the particular strengths and potentials that were already in each place. Chañojahuá produces crops that correspond to indigenous practices in that place over thousands of years. Churicana likewise builds on existing knowledge with long-term roots in the cultural practices of that area. Tomina is different in that it revolves around a crop that is not native to that place—but it does build on the existing knowledge and way of life in this rural community.

Chañojahuá is the weakest in terms of creating a strengthened local economy that 'stays in place'. It does not involve multiplier effects, wealth generation in place, or economic diversification. It has the potential to generate such benefits with better strategic planning and investment. Churicana has created some improvements in the local economy by bringing cash income into the community. This in turn allows for other non-monetary dimensions of the local economy to continue, such as growing food for subsistence (in a non-rural setting, if the residents had to move away, they would have to purchase more food products). Tomina is the most significant and successful in terms of improving the local economy. This initiative has resulted in direct employment generation of both full-time and part-time workers in the oregano processing plant; skills development such as developing management capacities of local employees; local revitalization through attracting residents back to the area; development of backward and forwards linkages with ancillary services. Further, the oregano initiative has resulted in the

development of appropriate technology; income generation for local farmers; improved food security for local families; and increased access to health and education through improved incomes.

Producer cooperatives and associations inherently ground labour in a particular place as the members are simultaneously workers and owners. As such, enterprises like cooperatives and producer associations can ‘root’ wealth creation in place. The Tomina cooperative is an excellent example, as the oregano production and processing has multiple spin-off multiplier effects in the local economy. As articulated by Lionais and Johnstone (2010), locating the oregano processing plant in the local area integrates this area into circuits of capital by linking Tomina to markets in Brazil. This is an example of the power of creating economic participation for peoples and places that have been depleted or excluded from the mainstream economy. Table 23 shows how each case study measures up to each of the grounding mechanisms for place-based development.

Table 23: Grounding mechanisms in three case studies

Grounding Mechanism	Description	Situation of the three case studies
Labour	Location / spatial division of labour	Location of labour is local in all three cases Minimal to no spatial division of labour
Management	Location of management functions	Location of management functions is local in all three cases, although some management functions such as managing investment / funding is located in Canada in the case of the Tomina oregano cooperative
Markets	Location of markets served	Churicana–local market but draws in international income Chañojagua–no market served Tomina–international market served
Capital assets	Location of built infrastructure	Chañojagua–no built infrastructure Churicana–minimal–just the museum in Tarabuco Tomina–well-developed: processing plant, artisanal drying sheds
Supply	Supply chain groundings	Chañojagua–seeds from local cultivation Churicana–source of inputs is national in scale Tomina–grounded in locality for the most part

Grounding Mechanism	Description	Situation of the three case studies
Knowledge	Geographies of knowledge development	Chañojahuá—knowledge of cultivation and traditional processing techniques located with cooperative members. Churicana—knowledge of artisanal techniques and tourist markets located with the association members. Tomina—agriculture research, cultivation of seedlings and crops, and processing techniques now located with the people in the local area
Investment and financing sources	Location of financial partners	External
Ownership	Location of the owners	Local in all three cases
Governance structures	Location of control	Local in Churicana and Chañojahuá, some local control in Tomina, but some is externally located in SOCODEVI structures
Profit distribution	Location of profit distribution and accumulation	Chañojahuá. Churicana, Tomina: all benefits accumulated and distributed in place

6.6.5. *Supports sustainability*

In terms of achieving *sustainability*, there is little incorporation of specific environmental objectives in either the Churicana or Chañojahuá cases. In Tomina, there is an emphasis on using technologies for agricultural production, harvesting, and production that have minimal impact on the natural environment (for example, drying oregano without using electricity or gas power).

The research explored two kinds of sustainability in relation to the case studies: financial and environmental, as shown in Table 24.

Table 24: Supports sustainability

CED principle	SSE indicator	Chañojahuá	Churicana	Tomina
Sustainability Focus	<i>Indicator 7</i> Financially and/or economically sustainable (no outside help needed)	No	No	About 60% self-sufficient financially
	<i>Indicator 8</i> Uses or develops appropriate technologies that do not damage the environment	Yes	Yes	Yes except for use of chemical fertilizers and pesticides

In financial and economic terms, only the Tomina oregano initiative is well on the path to financial self-sustainability. Churicana and Chañojahuá both need significant inputs in the form of loans and grants to expand to something like a viable enterprise. None of the case studies had specific goals related to environmental sustainability. However, the traditional practices used in Chañojahuá’s cultivation and crop processing are inherently ‘natural’, using no chemical pesticides or fertilizers, nor contaminating the land or water during the processing activities. Churicana likewise uses very simple and non-polluting technologies. Neither initiative requires electricity or other energy sources to function. Tomina has more negative environmental impacts, due to using chemicals to grow crops. However, the artisanal drying sheds use local materials and require no energy to operate, unlike commercial dryers in other food processing enterprises.

6.6.6. Indigenous entrepreneurship

In regards to how the SSE manifests in indigenous contexts, the case studies provide interesting data. One way to understand the ‘indigenous’ element of an economic initiative is through a lens of ‘indigenous entrepreneurship’. As defined in Chapter 2, indigenous entrepreneurship involves economic initiatives created and managed “by indigenous people for the benefit of indigenous people” (Hindle & Lansdowne, 2005, p. 9). Using this definition, the three cases can be classified as indigenous entrepreneurship: all three are owned and run by people who self-identify as indigenous by language and/or heritage and they operate for the benefit of indigenous-identified peoples. Indigenous

entrepreneurship includes enterprises that are purely for profit, and those that have a multiple bottom-line. The latter definition fits best for the three case studies in Bolivia, since they all encompass multiple goals including social benefits. The Churicana Association is the only example that is consciously set up to protect and strengthen traditional cultural practices—in this case continuing the thousands of years old tradition of weaving clothing and other artefacts.

Indigenous entrepreneurship often involves the goal of ‘benefits for an entire community’. This point also resonates in the case studies. The three case studies involve collective ventures, established to support larger strategic goals and create benefits for a group of people with whom they identify (their community). Each initiative has goals of common good or shared benefit through working together. They share the common approach among indigenous peoples of generating employment and income in order to preserve a way of life. All three of the initiatives share the goal of supporting a return to or strengthening of a rural and more community-based way of life. Staying ‘in place’ or ‘in community’ in turn supports retention of language, customs, and forms of governance. When indigenous peoples move to urban areas in Bolivia, there is evidence that the next generation(s) lose the use of their Aboriginal language (they may understand it, but not speak it, or not speak it well). For example, the traditional forms of governance that are maintained in Churicana and Chañojahuá do not translate into non-rural contexts; they are only maintained if the rural, community-based way of life remains viable. Therefore, it can be argued that all three initiatives are ultimately aimed at improving the collective well-being and self-determination of communities that have been systematically marginalized in economic, social, and political terms.

Chapter 7. Role of external actors

7.1. Aim, scope, and organization of the chapter

This chapter explores the third sub-question, how national and local institutions (particularly governments) are effecting the development of the SE and CED initiatives. First, the chapter explores how the national government is implementing programs and policies in relation to the SSE and decentralized economic development. This dissertation set out to discover the actual strategies and actions taken by the Bolivian national government to support SSE and community-led development in Bolivia. The implementation of the Law of Autonomies will therefore be examined (with particular attention to municipalities and indigenous territories) and the implementation of the policies and legislation related to the SSE. Second, the chapter analyzes the role, opportunities and constraints of municipal governments and other actors, such as local branches of indigenous leadership, in supporting the SSE and CED-type initiatives in the three case study communities.

7.2. Actions at the National Level

Chapter 4 identified several areas of legislation that have been adopted since 2009 to support increased local / municipal autonomy and the strengthening of the SSE. However, it is one thing to make laws; it is another thing entirely to implement these laws comprehensively and effectively. This section explores how the national government is implementing the Law of Autonomies and the Laws related to the Community and Social Economy. The bulk of the research for this dissertation was conducted in 2011, which was an early stage of implementation. However, I followed up with key actors at the national level on subsequent trips to Bolivia in 2012 and 2013 to continue tracking the kinds of actions being taken by the national government, and consulted several government documents published online since my return.

7.2.1. Implementation of the Law of Autonomies

The Law of Autonomies replaces the previous 1994 Law of Popular Participation (LPP) and 1995 Law of Decentralized Administration (LDA). However, the new law retains many caveats of the previous laws. For example, the LPP and LDA decentralized specific decision-making authority to the municipal and regional levels, and a guaranteed percentage of national income to these levels of government. The LPP decentralized responsibility for health, education, and transportation and recreation infrastructure to the municipal level. Economic development was set as a shared responsibility between the three levels of government. The LPP legally mandated participatory planning at the municipal level and established local Oversight Committees to monitor and co-construct municipal budgets and monitor spending (Fagueta, 2004; Kohl, 2003a). These stipulations continue under the new regime. Indeed, in many significant ways, the Law of Autonomies combines the previous LPP and LDA but expands the terms to include Indigenous Municipalities and Territories to exist alongside Municipalities and Departments.

The national government re-organized ministries to implement their new areas of legislation, starting in February 2009 with the adoption of the new Constitution. The Ministry of Decentralization became the Ministry of Autonomies, with a mandate to “promote the autonomy process and organization of territorial units, deepening the decentralization of the autonomous territories and gradually implementing self-governance, improving capacities for the exercise of their powers in the construction of the Plurinational State” (Bolivian Ministry of Autonomies, para.1).

The Law of Autonomies establishes a flexible regime in which indigenous peoples in rural areas can choose from four designations to manage their territories:

- Autonomous Indigenous Municipality;
- Autonomous Municipality (like any other municipality in the country);
- Autonomous Indigenous Aboriginal *Campesino* Territories (AIOCs); or
- Autonomous Indigenous Regions.⁴¹

⁴¹ Autonomous Indigenous Regions would be made up of multiple AIOCs, and correspond to Autonomous Departments (like provinces or states).

A Vice-Ministry is specifically responsible for the implementation of Indigenous Autonomies. The Director of the Indigenous Autonomies unit stated that the Law of Autonomies simply recognizes a state of affairs that already existed, namely, that many indigenous peoples in rural areas of Bolivia have retained semi-autonomous forms of organizing and governance:

They have conserved their ways of organizing, their spiritual beliefs and practices, since before colonial times (national interviewee 5, 2011).

The designation of a municipality or territory as 'indigenous' allows these areas to organize their governance structures consistent with their own ways of making decisions and choosing leaders. For example, they could choose to have rotating leadership chosen by consensus rather than elected leaders based on majority vote. Alternatively, they could choose to make particular decisions by direct participation of all members of the community. Further, they could choose to implement traditional forms of community justice for certain offences, rather than applying the national criminal or civil law.

Indigenous Municipalities, AIOCs, and Indigenous Regions may have overlapping and intersecting physical boundaries with one another, as well overlapping powers. In addition, their boundaries and powers can overlap with the Autonomous Municipalities and Autonomous Departments that were simultaneously created by the Law of Autonomies. The Law states that any group of people can self-declare an autonomous territory or region, based on their constitutional right to self-governance, and then enter into negotiation with any other forms of government with overlapping territorial claims at the local and regional level. There are no provisions for how this negotiation should occur. The Law therefore creates a very complicated territorial governance model with unresolved boundaries and significant potential for conflict over jurisdiction between various governing bodies.

Another significant issue is that the newly Autonomous Departments, Municipalities and Indigenous Municipalities are designated by law to receive a guaranteed portion of the national income for expenditures. However, AIOCs and Autonomous Indigenous Regions have no guaranteed source of income. One of the most impactful stipulations of the Law is that it requires each Municipality, Indigenous Municipality or AIOC in the country to engage in a six-step, participatory process to

develop a governing Charter (see Figure 13). The process requires a community-wide referendum at the beginning (to choose the designation) and at the end (to approve the Charter). It also requires a deliberative assembly to be created and for its members to engage in debate and consultation to prepare a draft Charter. All the steps require significant resources—information, awareness raising, time, technical expertise, and funding.

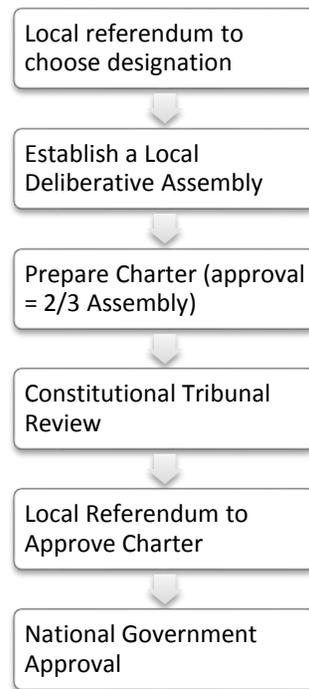


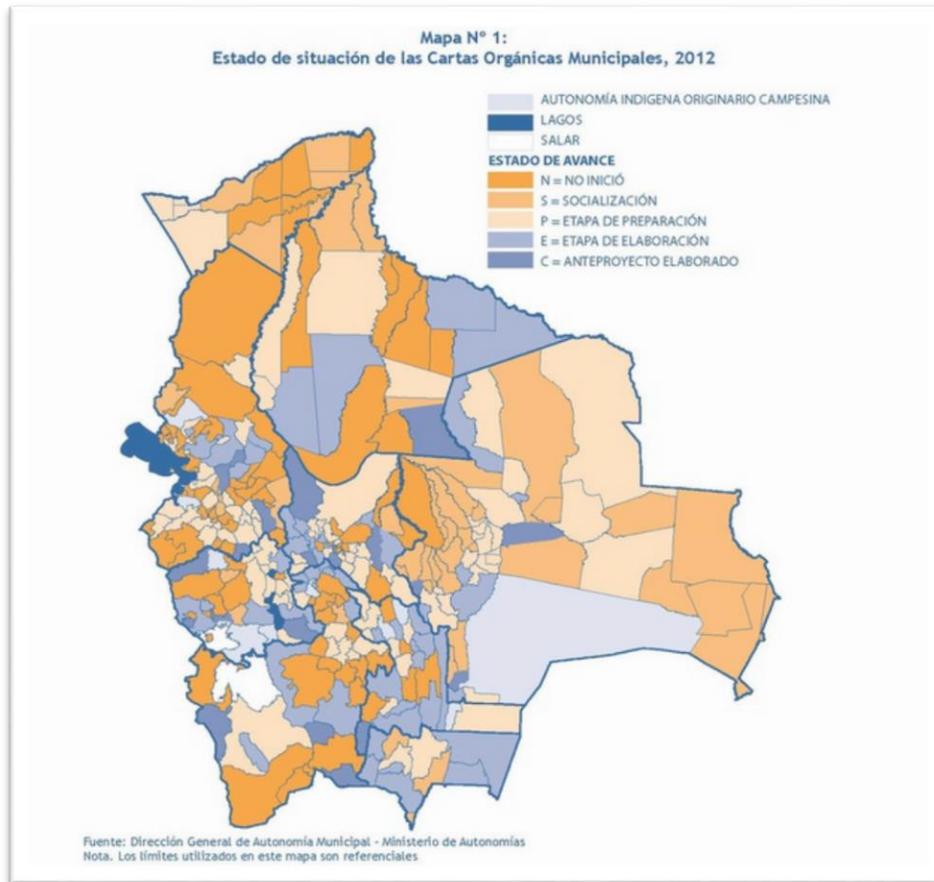
Figure 13: Six-step process for establishing charters of autonomy

Note: Original figure by the author

The Law of Autonomies stipulates that every municipality and AIOC in the country had to engage in and finish this process over a period of two years—involving 326 municipalities and an undetermined number of AIOCs. Not surprisingly, given such an enormous undertaking, the process of has not been completed within the given timeline.

According to the Ministry of Autonomies, 30% of the municipalities had not even started this process as of the deadline in April 2012; another 15% were engaged in public awareness about the process; 30% were in the preparation stages for launching an assembly; 18% were in the process of deliberating their Charters; and just 7% had finished preparing a draft charter (Servicio Estatal de Autonomías, 2013). Not a single Charter

had yet been approved by the national government. Figure 14 shows the status of the development of the municipal charters as of April 2012.



Legend:	AIOCs
■ AUTONOMÍA INDIGENA ORIGINARIO CAMPESINA	Lakes
■ LAGOS	Salt Flats
■ SALAR	State of Advancement
ESTADO DE AVANCE	N = Not Started
■ N = NO INICIÓ	S = Creating Public Awareness
■ S = SOCIALIZACIÓN	P = Preparation of Assembly
■ P = ETAPA DE PREPARACIÓN	E = Writing the Charter
■ E = ETAPA DE ELABORACIÓN	C = Draft Charter Completed
■ C = ANTEPROYECTO ELABORADO	

Figure 14: Status of development of municipal charters.
 Note: Reproduced in accordance with Bolivian government guidelines.

Eleven of Bolivia's more than 300 municipalities chose to be designed as Autonomous Indigenous Municipalities; all are small, rural municipalities.⁴² Ten of these consist of predominantly *Quechua* or *Aymara* populations, while one is composed primarily of Guarani people. A further 50 territories have self-declared as AIOCs. Of the three municipalities included in this thesis, only Tarabuco chose an Indigenous designation. The director of economic development for Tarabuco indicated that this was partly strategic—to support their 'branding' as an authentic indigenous town for tourists to visit—and partly about culture and heritage—to be able to organize according to their own values and customs (local interviewee 9). The mayor of Viacha stated that although the majority of their population identify as *Aymara*, the people chose the general municipal designation because they thought that creating a charter for an indigenous municipality "would be too complicated" (local interviewee 4). A municipal counsellor in Tomina said that although people in the area spoke *Quechua*, that there were too many 'mestizos' to be an indigenous municipality (local interviewee 14).

In terms of the process of becoming legally constituted, none of the Indigenous Municipalities had completed the requirements as of April 2012. According to the Ministry of Autonomies (2012), all 11 have held referendum votes to choose their designation (step 1). Nine (82%) have established their Deliberative Assemblies (step 2) ranging in size from 45-106 members. Of those who established Assemblies, two (18%) have completed a first draft of their Charter; seven (64%) have final drafts that are approved by their Assemblies (step 3); and five (45%) have had their Charters approved by the Constitutional Tribunal (step 4) (Servicio Estatal de Autonomías—SEA, 2012).

The fact that a greater proportion of the Indigenous Municipalities are further along in the process compared to other municipalities may be due to having a unit of the Ministry of Autonomies specifically dedicated to supporting them. It may also be due to an apparent focus by international donors on supporting the indigenous autonomy processes. The Ministry of Autonomies has designated funding for pamphlets, booklets and technical expertise for all municipalities, but depends on international donors to fund the costs related to referendums and the Assemblies (national interviewee 5). The Director of the

⁴² The 11 Municipalities that chose an indigenous designation are: Tarabuco, Mojocoya, Huacaya, Jesús de Machaca, Charazani, Chipaya, San Pedro de Totora, Pampa Aullagas, Salinas de G. Mendoza, Charagua, and Chayanta.

AIOCs unit indicated that the indigenous municipalities and territories had been receiving international support to support their process of becoming legally autonomous (national interviewee 5). For example, Canadian cooperation funded referendums and the processes of deliberation for five of the Indigenous Municipalities (4 in Oruro and 1 in Santa Cruz).

7.2.2. Implementation of SSE-related policies

In 2009, the Ministry of Productive Development became the Ministry of Productive Development *and the Plural Economy* (MDPEP), highlighting the government's new strategic focus on multiple models for economic development.⁴³ However, there is no particular unit or Vice-Ministry dedicated to the Social or Community Economy within the Ministry. It took me four months in Bolivia to find someone in the national government with the mandate to support the development of the SoIE. He is relatively low in the hierarchy, as Head of the Unit for the Development and Promotion of Domestic Commerce within the MPDEP. At the time of the interview in 2011, he had been working on policy and programs related to the SoIE for three years, since the first national meeting of the SoIE and Fair Trade.⁴⁴

Further, the position of coordination for the SoIE in the national government came about when the Andean Community asked the Bolivian government “who is the person responsible for SoIE?” (National interviewee 2, 2011). In addition, it seems that there is no clear or singular understanding of the Solidarity or SE within the Bolivian national government. In the same interview, the government official articulated this conclusion:

Here, there is no agreed on definition among government officials. Some think it is Marxist, some think it is political about indigenous empowerment, others think it is a survival strategy for *campesinos* (national interviewee 2, 2011).

⁴³ As described in Chapter 3, Plural Economy in Bolivia refers to an economy made up of public, private, social cooperative, and community forms of economic organization.

⁴⁴ The 2008 congress on Solidarity Economy and Fair Trade was organized by Bolivian civil society organizations with support from Canadian international cooperation. The MES y CJ was established at this congress.

Under a previous Minister, the MDPEP collaborated with the MESyCJ to develop the Strategy on the Solidarity Economy and Fair Trade (national interviewee 3, 2011). Staff also worked on a Law to put this strategy into official legislation (national interviewee 2, 2011). However, the national government interviewee indicated that the new Minister appointed in 2010 has apparently not shown support for the law (national interviewee 3, 2011). Indeed, in 2011, he directed that it be diluted into a Fair Trade law only:

Right now, I am working on a Fair Trade law. This came from the National Council of Ecological Producers. It was originally proposed as the Solidarity Economy and Fair Trade Law by the Movimiento [MES y CJ] but now it is just about Fair Trade (national interviewee 2, 2011).

In 2013, I checked in again with a representative of the MESyCJ about the Solidarity Economy Law, and she indicated law has gone nowhere. She said that she had recently breakfasted with President Evo Morales in an attempt to revive the law. “He did not seem interested,” she remarked, “He is more interested in helping his supporters than helping the Solidarity Economy” (national interviewee 3, 2013). The proposed Vice-Ministry of the Solidarity Economy and Fair Trade has likewise not materialized.⁴⁵

Notably, neither the SE nor SolE is mentioned in the MAS government’s five-year development plan called *Bolivia Avanza 2010-2015*. There is a brief mention of the Plural Economy:

On the economic plane, we will seek to expand the National Productive Economic Model, based on the Plural Economy, in which the State, Private, Cooperative and Community Economy will be developed to their fullest (Ministerio del Gobierno, 2010, p. 51).

This quote shows a shift in terminology from the Constitution’s Plural Economy that includes “social cooperative and community forms of economic organization” to “cooperative and “community economy”. The document goes on to elaborate the strategy for developing the cooperative and community economy, but only highlights the role of the State in this process. The emphasis on the State as the owner of natural resources, combined with the use of terms like “appropriation of the economic surplus” (Ministerio del

⁴⁵ It is important to note that the idea of the Vice-Ministry arose in a congress of small producers and organizations that are part of the MESyCJ network—in other words, it is a proposal by the people involved in the sector, at least one group of people.

Gobierno, 2010, p. 52), provides an overall impression of a strong centralist State in control of public, cooperative, and community economy development. The State does not appear to recognize small producers or associative economic organizations such as cooperatives as actors or decision-makers. Nor is there a visible role for municipalities to support bottom-up, CED-like economic development processes. Rather, the State will ensure that people are inserted “into the productive apparatus” (p. 52) and that “wealth and surplus is redistributed and inequalities are reduced” (p.52). Figure 15, from the plan, clearly demonstrates the MAS government’s conceptualization of the dominant role of a Central State that works directly with small producers (and their organizations), as the new economic development model for the country.



Figure 15: National economic power structure pre-2006 and post-2006
 Source: Bolivia Avanza 2010-2015, p. 112.

The pyramid on the left represents the MAS conception of economic power distribution from 1985 to 2005. International petroleum companies are at the top of the power structure, with banks, big mining, and industrial agriculture directly below. At the bottom is the State, private enterprises and small producers. The pyramid on the right outlines the idealized structure of power in the economy of the country starting in 2006 with the election of the MAS. The State has moved to the top of the pyramid, while small

and medium urban and rural producers are in the middle. Private enterprise, industrial agriculture and banks are now at the bottom.

The conceptualization of the relationship of the state to the community or grassroots is interesting. In the pyramid images, the 'base/grassroots' are expressed as small and medium producers and the government directly links to them to support their development. The private sector (involving, it would appear, big business, financial sector, and commercial agriculture) is not seen as the driver of economic growth or advancement, quite a different picture from mainstream economics.

The emphasis on Community Economy and Cooperatives in this policy document, with direct links to the State as the source of capacity building and resources, positions the State in a direct relationship of patronage with their key supporters—the indigenous, *campesino*, Aboriginal peoples who make up the bulk of the organizations that form the MAS party. In other words, there is a strong Populist and/or Soviet-style socialist tendency in the MAS plans for the country's economic model.

The Law of OECAS and OECOMs (2013) further reflects this interpretation, delineating the MAS party members and supporters as the entities that will be supported by the state as part of the Plural Economy. The law recognizes OECAS and OECOMs as *the* official organizational forms of the SoIE and the Community Economy in Bolivia. Specifically, it identifies the OECOMs as based in the *community economy of rural indigenous, campesino and Afro-Bolivian peoples* (Article 15), and OECAS as based in the *solidarity and reciprocity economy of families that are rural indigenous, campesino or Afro-Bolivian* (Article 13). It then identifies that the OECOMs are organized in/ through the five national indigenous / *campesino* organizations that are part of the MAS party (Article 15)⁴⁶ and that OECAS are organized within the CIOEC (Article 15)—a national level organization that is also a member of the MAS party. In other words, this law delineates the organizations who are the principle MAS supporters as the official actors of the

⁴⁶ "The Community Economic Organizations—OECOM—are organized under self-management by indigenous *campesino* Aboriginal peoples and Afro Bolivians, and are affiliated with their own natural organic structures at each territorial level: the Federation of Peasant Worker Unions of Bolivia-CSUTCB; Council of Indigenous Peoples of Bolivia-CIDOB; National Council of Ayllus and Markas of Qullasuyu-CONAMAQ; National Federation of Women Peasant Indigenous Aboriginal People of Bolivia "Bartolina Sisa"- CNMCIQB BS; Federation of Intercultural Communities of Bolivia-CSCIB; National Council of Afro Bolivians-CONAFRO.

Community and SoIE, and in such a way that the community or small-scale level links vertically to the national MAS party structure.

Thus, the State is conceptualizing the Social or Solidarity Economy more narrowly than by other non-state actors like the MESyCJ. The MAS strategies centre on a socialist or populist conception of the State as the main actor in the economy, directly supporting community / producer associations. In turn, these associations form part of the national level organizations that make up the membership of the MAS as a political party. Non-governmental organizations—that is, NGOs—disappear from the equation, or are relegated to a marginal position, along with educational institutions and the private sector.

Further, the State conceptualization of who forms part of Social or Solidarity Economy type initiatives is problematic. First, the OECA and OECOM Laws assert that only territorially and identify-based communities form such initiatives—specifically, rural or semi-rural indigenous, *campesino*, or AfroBolivian peoples. This precludes communities of interest or non-ethnically identified groups as part of this dynamic. Second, there is a limit in the scope of the Community / Solidarity Economy in this same law, by referring only to agricultural production and tourism as recognized areas of economic activity. Third, in this law and in the Bolivia *Avanza* policy document, “community” is idealized as a space of harmony and cohesion—both internally and in relationship to the State. Communities are referred to over and again as a singular whole that operates together as if of a single mind, in concert with State policy:

The community develops its capacities, administrative and technical skills, in harmony with nature [through] the implementation of projects and services outlined in the National Development Plan (Ministerio del Gobierno, 2010, p. 122).

As documented in participatory development literature, communities do not operate as homogenous entities—they are spaces of conflict, differing interests, power imbalances based on gender or socio-economic status, etc. (Brohman, 1996; Cleaver, 2001). In other words, societal power relations are reproduced at a local level (Schonwalder, 1997). In particular, the tendency to romanticize indigenous communities as homogenous units with intact traditional knowledge is widespread but deeply problematic (Briggs, 2014). As such, it is nearly impossible for entire territorially based communities to organize under or within a single project. Within CED processes, there is

usually a core group of people who choose to work together, and this group may morph over time people come into or leave the process—but there is never an entire territorially based community that operates as a whole within one initiative in perfect agreement and harmony. The idea of the State supporting economic initiatives based in an idealized conception of a traditional Community Economy in which all members of the community are involved in a traditional economic system—is likely to be highly problematic. We do not know exactly how the Community Economy was organized in historical, pre-colonial times, in the first place, and in the 500 years since colonialism, these communities and the world around them have obviously changed considerably. Even if a group wanted to do so, it would be extremely difficult to operate in isolation with their own local or regional economic system, cut off from the rest of the world. While there may be elements of Community Economy still in existence in rural Bolivia, as shown in the previous chapters, the case studies show that many community members are interested in engaging with the market economy to a greater degree, and earning cash income, rather than in strengthening traditional practices.

The Ministry of Productive Development is engaged in establishing state enterprises to support the small-scale producers, as part of their attempts to support the SE (national interviewee 1, 2011). One example is EMAPA, established in 2008 in the Santa Cruz region. This enterprise provides seeds and fertilizers to small producers on credit with no interest. It then buys the crops at 15% higher than the market price and sells the products nationally at 15% below market price. The goal of EMAPA was to ensure a higher, guaranteed income for small producers and to increase food security nationally by selling Bolivian-grown food at a reduced price to Bolivians (national interviewee 1, 2011). A similar initiative in Cochabamba started in 2009. This approach was also transferred to the La Paz region starting in May 2012, with a focus on increasing dairy production. The Ministry wrote a law to put a tax on beer sales to finance inputs into small scale dairy production, which is generating millions of Bolivianos annually. By investing in improved dairy fodder and breeds in dairy producing communities, the Ministry plans to increase dairy production by 20%. (Dairy cattle in Santa Cruz produce 20 litres per day on average, while La Paz cattle produce just 5 litres per day, according to national interviewee 1, 2011). Simultaneously, they are establishing a state enterprise to compete with the two largest private dairy companies in the country. This enterprise would focus

on linking small producers to markets, and taking a share of the market from the private enterprise (national interviewee 1, 2011).

The problem with the state enterprise approach is that it is not a collaborative approach. The state seeks to solve problems, without taking into account the rights of autonomous municipalities and indigenous territories to define the goals and means of development in their local areas. As such, the policy removes potential agency by local actors. Further, it sets up a dependency on subsidies. Perhaps the state support could be understood as start-up or seed funding. However, it is not clear from my interviews how this relationship of dependency on state aid will be phased out into a more autonomous form of local management of development. One thing is certain—the subsidies cannot last forever. As royalties for natural gas begin to drop due to changes in world commodity prices, the national government will no longer be able to buy or sell agricultural products at subsidized rates. Unintended consequences emerge from state intervention in price-setting. Several credible sources mentioned that EMAPA's policies had driven agricultural prices so low that the small producers were earning *less* than they did before.

Other initiatives by the state to support small producers include a law to channel more and lower-cost credit to agricultural productive sector by providing a fund of forty million bolivianos in the government-owned bank, the *Banco Productivo*.

7.3. Local level actors and actions

This section turns to the kind of support that the three case study initiatives receive from local level actors. It also explores how national level laws and policies interact with or shape the opportunities and constraints for local level actors to strengthen SSE and CED-type initiatives.⁴⁷

Looking first at national impacts on local economic initiatives, the co-op / association members in all three communities stated that they had not seen any form of

⁴⁷ The impacts of the LCAR and the OECAS Law could not be determined, as they were not yet ratified at the time of the field research. The analysis in this section therefore focuses on the Constitution and the Law of Autonomies, with some projection about the potential impacts of the LCAR and OECAS Law.

national support for productive activities. They mentioned that they had heard that there would be money for seed, silos and stables but nothing had yet materialized. “It all stays on paper,” remarked one person in Churicana (local interviewee 9, 2011).

In both Churicana and Chañojahuá, community members were anxious to ensure that they would be eligible for funding under any new national programs. They had heard something about the government supporting ‘communities’ and ‘community economy’ but were uncertain about which kinds of activities or legal structures would fit the definition. The presidents of the association / co-op from each of these communities asked me if I knew how they should be legally registered in order to receive support. They knew that the support might come directly from the national government, or be channeled through the municipality in their annual operating budgets. Either way, they wanted to be ready. Thus the national level decisions are shaping actions at the local level, likely in unintended ways. The national government officials that I interviewed seemed to think that their laws and policies were about recognizing and including existing types of activities in communities, but the cases that I observed, local actors were shaping their actions to try to fit the national laws and policies. This is a classic problem of co-constructed policies for local development.

Turning to the role of local actors in supporting SSE and CED, Table 25 shows the specific local actors related to each of the case study initiatives.

Table 25: Local Actors associated with the case study initiatives

	Chañojahuá	Churicana	Tomina
Municipality	Autonomous Municipality of Viacha	Autonomous Municipality of Tarabuco	Autonomous Municipality of Tomina
NGOs	COMAI ⁴⁸	PROAGRO ⁴⁹	SOCODEVI
Local Leaders	organized according to traditional structures but also part of the CSUTCB	organized according to traditional structures but also part of the CSUTCB	organized as part of the CSUTCB

⁴⁸ COMAI Pachamama is a small organization formed strengthen cultural identity based on traditional knowledge, exercise of citizenship, and support for local development from a gender point of view. This organization has largely ceased to exist since late 2011.

⁴⁹ PROAGRO is a large, Bolivian NGO that supports agricultural development in three geographical zones—the Chaco (grasslands), Mesothermic Valleys (Cochabamba, Chuquisaca, Tarija y Santa Cruz) and Highlands (Potosi North and Cochabamba South).

As discussed above, Tarabuco has decided to use an AIOC designation (indigenous municipality) while the other two have chosen the standard autonomous municipality designation. Community leaders are part of the CSUTCB structure in all three case study communities, but in Chañojahua and Churicana the structure at the community level corresponds to traditional forms of organization. For example, in these two communities, the leadership positions have the traditional titles (such as 'responsible for crops' or 'responsible for justice' and each position is held by a man-woman pair. The CSUTCB allows for this kind of flexibility at the community level, although the communities must still form part of the standard union structure at the other levels. As such, each community (*ayllu*) is part of a municipal-level assembly, which in turn elects representatives to a regional (departmental) assembly, which in turn elects representatives to a national body.

7.3.1. *Kinds of support*

All three case study initiatives had some kind of support from an NGO but differed greatly in the degree of support. Only one of the initiatives was receiving direct support from the municipality, although in all three places the municipality is investing in infrastructure that can support local economic development. All three cases were supported by community leaders who are members of the municipal level assembly of the CSUTCB.

Looking first at the Chañojahua agricultural cooperative, this initiative had the least external support of the three cases. A small Bolivian NGO called COMAI Pachamama had visited the community two or three times, to run community planning workshops. These workshops helped co-op members to identify what kinds of resources or assets they could build on, such as the 53 acres owned by the co-op; the active participation of members in planting and harvesting the communal crops; and knowledge of how to process crops through traditional, low-cost methods. However, the co-op president admitted that they did not know what steps to take next, as they lacked the know-how to access markets or and the resources to plant on more of their communal land to increase or diversity production.

The municipal government was not directly involved in the cooperative's agricultural activities or expansion plans. Local community authorities stated that the municipal government had invested in physical infrastructure in their community, including electricity lines that reach the central area and classrooms for the elementary school, but had not supported any productive (economic) activities.

Turning to the Churicana artisanal association, a Bolivian NGO called PROAGRO works in this region on various projects. PROAGRO staff had visited the association members several times, and although this community is not part of any of their funded projects, they have helped them work through some of their ideas and plans in meetings. PROAGRO has also produced a business plan for the association. However, the plan is long, in complex language, and it does not look like it really 'belongs' to the association. Indeed, the association members did not have a copy of the plan—I had to get a copy from PROAGRO by email.

The municipal government is proactively involved in supporting the association. Technical advisors from the Economic Development office visit the textile association to help them with planning and listen to their ideas. The municipality promotes the Town of Tarabuco as an authentic indigenous experience for tourists, focused on bringing in tourists for the Sunday crafts market. The municipality was working on setting up a small museum in Tarabuco to highlight the cultural products of the *Yampara* people, with the idea that if tourists could learn about the culture and the time and knowledge involved in producing artisan products; they would be willing to pay a higher price. The museum would also serve as a tourist attraction. The municipality also committed to paying the cost of legal registration for the artisanal association, such that they would be eligible for national or international funding. Both the municipal staff and the association president recognized the need to improve infrastructure to communities like Churicana—especially transportation routes and access to potable water. The municipal staff also admitted that they needed more expertise and external linkages to improve their marketing and reach for tourism development.

Third, I will summarize the local support for the Tomina oregano initiative. This initiative clearly has the most external support of the three cases. SOCODEVI, a Canadian NGO from Quebec, has invested millions of dollars and years of work in building the

capacity of local farmers to grow and harvest oregano; supporting the local producers' cooperative in developing their management capacity to deliver services to members; research and development of the agricultural product and associated technologies; identifying and linking to an export market; and establishing a processing plant in the local area.

The municipal government is proactively involved with the oregano cooperative project, in terms of approving land use plans; providing infrastructure for the plant (water, electricity, etc.); and extending irrigation systems in rural area. However, the municipality does not provide any direct support or investment to the farmers involved in the oregano project.

7.4. Analysis of Findings

The interviews with national and municipal level actors showed many opportunities for developing the SSE and CED in indigenous communities in Bolivia. However, several constraints and challenges also became clear.

7.4.1. Opportunities

The participatory planning processes enabled by the LPP and Law of Autonomies provide an opportunity for community-based initiatives to obtain financial and technical support from their municipal governments. In both Chañojahuá and Churicana, the traditional community-level authorities are organized within the CSUTCB structure. This means that at the *ayllu* (community) level, there are 10 or more male-female pair leaders who hold one-year terms on a rotating basis—a form of organization that dates from the pre-colonial period. Each of these leaders is also part of the CSUTCB Assembly at a municipal level (called the *Central Agraria*). The municipal government consults these assemblies each year, as part of their participatory budget planning process, to determine how to spend the funds designated for rural districts. The Assemblies are also involved in determining priorities for the 5-year municipal development plans and in planning the Municipal Charters of Autonomy.

The municipal level assemblies are very active. Leaders meet once a month at minimum, but often meet weekly during municipal budget planning periods or since the processes to develop municipal charters began. They debate and discuss issues for hours at a time, with meetings often lasting the whole day. These assemblies have significant power at the local level, through three mechanisms. First, under the LPP, they gained the legal status as a local organization that the municipal government is legally required to involve in budget and development planning. A local leader described the shift in power this way:

Before, we used to talk about whose cow was on whose property, or who had to rebuild a fence in the community. Now we talk about how the Municipality will spend their money (local interviewee 3, 2011).

In Viacha, the assembly has the power to determine how 50% of the municipal budget is spent, since half the population lives in the rural district. In Tarabuco, the percentage is even greater, since more than 90% of the population lives in the rural districts.

Secondly, the assembly has power as a voting bloc. By voting together in municipal elections, they can determine who is elected to the municipal government. This gives them significant influence, as the mayor and council need to “make them happy” to stay in office.

Third, the assemblies have power as members of the CSUTCB. As the national organization representing the majority of rural people, with more than two million members, the CSUTCB has significant influence on national government policy. For example, the Law of OECAS and the LCAR were developed jointly by two national ministries, with a working group from the CSUTCB. Anecdotally, people told me that “the president of the CSUTCB has more power than the president of the country.” Indeed, when the CSUTCB national leadership calls for a protest or blockade, thousands of people are mobilized into the streets and highways almost immediately. Quite literally, this organization can shut down the country. Of course, the local assemblies do not have a direct say—member by member—in the national level decisions. But they do choose their representatives to the Departmental Assembly, and from there, representatives are chosen to be part of the National Assembly. These leaders are responsible to report back

to the Departmental or Municipal Assemblies, and they will face tremendous anger and criticism if members are unhappy with their decisions or actions. I was present in a municipal level assembly meeting at which a national representative spoke; he gave a report on all the achievements he had made at the national level; and then room erupted as people began shouting out their criticisms and concerns. “You are just making laws, laws and more laws,” someone said, but “where is the money?” And “where is the change for us?” and “we are waiting, we are waiting!”

While these people have not yet received everything they hoped for from the national government or national branch of the CSUTCB, the fact remains that they have significant power in local decision-making and channels to influence national decision-making—none of which existed prior to 1994.

Another opportunity derives from the significantly increased funding to municipalities in the last few years. Originally, there was a mismatch between the goals of the LPP and its meagre resource base. For example, in the pre-2005 period, decentralized funding peaked at US\$ 31 per capita annually and actually declined in the latter part of the period. Responsibilities for social and economic infrastructure were transferred from the central to local governments without the financial or human resources to adequately meet such responsibilities. Under the Morales administration, national public revenues from natural gas have increased significantly, in part due to policies to increase government royalties and in part due to climbing global prices. In turn, this has significantly increased the annual budgets of municipalities as they receive, by law, 20 percent of national government revenues. Table 26 shows an increase of almost triple in absolute revenue devolved to Bolivian municipalities between 2006 and 2011.

Table 26: Change in total funding devolved to Bolivian municipalities

Year	BOB	US\$
2006	3,017,091,493	440,451,313
2011	7,708,721,714	1,125,360,834

Source: Original table using data from the Bolivian Ministry of the Economy and Public Finance

Since the provisions of the LPP for participatory budget planning continue to apply after the adoption of the Law of Autonomies, the local indigenous / *campesino*

organizations have access to significant resources. For example, the municipality of Viacha had a total budget in 2013 of 65,447,928 Bolivianos (about \$10.5 million USD) (Viacha PDM, 2012-2016).

The mayor of Viacha believes that adopting a Municipal Charter of Autonomy could also provide positive opportunities for citizens to determine their own development path:

It's like a mini-Constitution. The benefits are that we will be able to make our own laws, especially about the environment and contamination (like from the brick factory). Up to now, the national government gave us the laws already done. Now we can have our own opinion about how things should be (local interviewee 2, 2011).

Similarly, the community leaders in Tarabuco expressed hope that the Autonomy process will help them to gain more rights to self-management and local decision-making:

We hope this [the Charter of Autonomy] will give us more space to manage our own territory. We have been fighting all this time for one thing—to get our land back (local interviewee 8, 2011).

7.4.2. Challenges and constraints

The significant size of the municipal budgets provides opportunities for community-based initiatives like the Chañojagua agricultural co-op and the Churicana artisanal association to obtain grants and technical assistance to strengthen and expand their activities. The powers assigned to municipalities under the Law of Autonomies to make their own laws and increase their local revenue sources are another source of opportunity. Increased local decision-making power provides potential for CED-type processes to emerge and be strengthened at the local level—generating collaborative, locally-driven development in these rural municipalities. Nonetheless, there are several significant internal and external constraints facing municipalities and other local actors, as they strive to improve local economies.

One challenge is related to a tendency for **short-term planning**. An official from Viacha summarized this issue, commenting on the challenges his government faces in trying to productive development in communities like Chañojagua:

Since the LPP [was adopted] in 1995, we have invested hundreds of thousands of Bolivianos in District 3 [the rural area of the municipality]

but it is divided up between the 64 communities. This means that each year, there is only about 15,000 Bolivianos⁵⁰ for each community (local interviewee 1, 2011).

From his perspective, one of the biggest challenges with the participatory planning process was that the leaders from the 64 rural communities⁵¹ did not have strategic plans—neither at a community-by-community level, nor at municipal assembly level. Therefore, when the municipal government approached the assembly each year to see how they wanted to use the municipal funds designated for the rural district, the requests centred on upgrading or installing small-scale physical infrastructure. A traditional authority in Tarabuco, who is a member of the Assembly to determine the Municipal Charter, likewise stated that up till now, his municipality has invested funds mainly in infrastructure and not in social or economic development because that is what the communities ask for.

A prominent community leader (member of the Viacha Assembly) concurred that lack of strategic planning is a significant challenge for improving life in the rural areas. He believed that the rotating system of leadership at the community level caused problems. For example, since each leader is only in a position of authority for one year at a time, any they want to “make their mark” that year; to show results. “So, they like to get a classroom built and name it after themselves; that way they can show they did something” (local interviewee 2, 2011). In addition, he added, no one wanted to follow a plan created by previous authorities: “Each year the new leaders want to make their own plan. But they just get a plan made and they are out and the next group is in” (local interviewee 2, 2011). This leader was seeking to have leadership positions change to two-year terms to help with this issue.

A related challenge, according to the same leader, is that it was difficult to foster collaboration between communities. Even though the leaders from each *ayllu* (community) meet at least once a month at the District-wide level, they were often unable to develop achieve common plans or to agree to pool their share of municipal funds to achieve larger-scale or strategic actions. The mayor had a similar comment:

⁵⁰ 15,000 Bolivianos equals about \$2200 US dollars.

⁵¹ As described in Chapter 5, Viacha has one rural district called District 3. It is made up of 64 *ayllus* (communities).

No one wants to agree that these two communities can get an irrigation system this year, and then some other ones can get their irrigation system the year after or in two years. Everyone wants it this year. So no one gets anything because we don't have enough money for irrigation for everyone at the same time (local interviewee 1, 2011).

Instead, the Assembly members have typically insisted on an equal division of funds between the 64 communities each year. However, the District 3 Assembly had been able to agree to pool the annual resources for 2011, after much lobbying by several leaders who shared a vision about the need to work collectively. For that year, they used their portion of the municipal budget to purchase heavy equipment to be shared between the 64 communities, including: a bulldozer, a backhoe, and boring machine to dig wells. The equipment is stored at the building where the Assembly meets (called the 'Central Agraria') in the centre of the town of Viacha.

Interviews with members of the Economic Development unit in the municipality of Viacha revealed some other internal challenges related to knowledge and capacity. The staff is mainly agronomists who have expertise in agricultural production—such as how to improve crop yields—but they lack knowledge about how to identify market niches or to help communities to access markets. One staff member said that he has recently recognized the importance of integrating economic development with social, cultural, and environmental issues but does not have the knowledge or skills to facilitate such an approach in the communities with whom he works.

Municipal staff and elected officials in all three municipalities identified the Charter of Autonomy as a tremendous challenge. It had become the focal activity for each of the municipalities since its adoption in 2010, since the law required the Charter of Autonomy to be ready within two years. However, progress was slow. All three municipalities had held the local referendum vote to determine what kind of designation they would seek, but none had an Assembly to develop the Charter yet. Tarabuco had picked their delegates, and Viacha and Tomina were in the process of doing so, as of August 2011. The main challenge is the complexity of the process—requiring significant investment of time and financial resources. A related challenge was capacity—understanding the law, the scope of the charters, what exactly they were supposed to be doing—everything had to happen in a participatory way but most people involved did not even understand the basic idea of what a Charter was about. For example, in a meeting of the Viacha District 3 Assembly

to discuss the Charter, I witnessed leaders calling out for the Charter to say “that the government has to give us electricity!” “Put in there that we need irrigation!” They were calling out specific demands for national government investment in their local area—but, of course, the Charter should lay out the principles, vision, and functioning of their municipal governance. Witnessing just this one meeting showed me how far the municipality would have to go before people could constructively participate in the process of preparing this document. When asked if the Ministry of Autonomies provided funding for the training and capacity-building required to prepare the charger, all parties in Viacha answered an unequivocal “no”. They said that they had received pamphlets and documents from the ministry, but that it was really difficult to understand the process. Indeed, I would argue that one would have to be a constitutional lawyer to understand the requirements and scope of the municipal charters. Furthermore, what happens once the Charters are implemented? Many authorities in the District 3 Assembly seemed to think that the Charter would somehow magically start solving their socio-economic problems. The process is taking up most of the time and resources of the municipality and the assembly. So what happens once the process is finished? What will autonomy mean? Will the charters be structured in such a way as to facilitate positive action at the local level?

Municipal staff in all three municipalities identified externally-derived challenges to using the municipal budget for supporting community economic development and producer associations or cooperatives. The challenges relate to top-down management of municipal budgets—that is, national government requirements that restrict local ability to respond to locally-identified needs and opportunities:

The national government sets out the categories of the budget. We have to spend this percentage on infrastructure, this percentage on education, this percentage on productive development. And we can only spend on things that are for the whole community like training (local interviewee 4, 2011).

The first issue is that determines the categories of the municipal budget, and the percentage of funding that can be spent in each category. In two municipalities, economic development staff admitted their frustration with the not being able to do initiatives that mix social, cultural, and economic development:

They [the State] require that we spend this much on productive development and that much on social development and they say exactly what productive development is so we can only do what they say. Like we can tell them how to grow more but we can't help them to do it. And social development is only things like schools or sports so we can just build more soccer fields (local interviewee 5, 2011).

The second issue is about what kind of entities can receive public sector funding support. Economic development staff in both Viacha and Tarabuco stated that they are trying to figure out what they are allowed to fund, under the changing legal frameworks. They know that the national government is now emphasizing community or collective enterprises—it is in the Constitution, the discourse, and in the laws that were just about to come out when I was in the field (i.e., the Law of OECAS and the LCAR). They think that they can now give direct funding to strengthen these kinds of collective or community-based businesses—such as grants to buy seeds or processing equipment. However, they are worried about giving funds to producer associations or cooperatives because these are categorized as 'private' entities in the Commercial Code. Members of these cooperatives and producer associations engage in individual or family-based production, on individually-owned land. Under a law promulgated by the Ministry of Autonomies, called the Ley de Marcelo Quiroga, municipal authorities and staff are not allowed to use any municipal funding to benefit a private enterprise. The Marcelo Quiroga law is intended to prevent corruption and mismanagement of municipal funds, but it appears to cross wires unintentionally with the laws being implemented to support the social and community economy by the Ministry of Productive Development. These Ministries may operate as in many places as 'silos' that do not communicate with each other to coordinate.

Indeed, the LCAR, when it came out, was no help. It did not specifically state what kinds of legal structures qualify for State support. The law indicates that it applies to "autonomous territorial entities, indigenous Aboriginal *campesino* communities, intercultural and Afrobolivian communities" and to "individual and collective producers" who are linked to agricultural productivity and food security (LCAR, Article 4). Article 8 goes on to recognize "Community Economic Organizations-OECOMS" as "the organic, productive, social and cultural unit for 'Living Well' in these types of communities. These definitions are at once vague (what is meant by 'community'?) and all encompassing (who is not part of an intercultural or Afrobolivian or indigenous or *campesino* community?) OECOMs do not correspond to any existing legal structure in the Commercial Code of

Bolivia. Another challenge is that the law has an idealized representation of indigenous and Afrobolivian communities, in which production and distribution happen in collective manner and in harmony with nature:

Community Economy: a model of development that includes systems of planning, organizing, production, and generation of surplus and its distribution for the common good; based on the cosmovision of the indigenous Aboriginal *campesinos*, intercultural and Afrobolivian communities, who administer their territory and resources and have their own forms of organizing in harmony and equilibrium with Mother Earth (Article 7).

In a visit to Viacha in 2012, I asked the economic development staff if the LCAR had clarified for them what kinds of projects or organizations they can fund. Their answer was a definitive no. As a result, both Viacha and Tarabuco are “playing it safe” by only putting money into activities or equipment on municipally-owned land. These challenges in definition and mis-matched laws play out at the community level as well. In Chañojahuá, the co-op president mentioned that they were eager to incorporate as “the kind of association that the national government will support.” In other words, they had heard that under the LCAR those financing and agricultural inputs (silos, seeds) would be gifted to associations in rural areas—but were worried that their current legal structure would not provide eligibility. Leaders were asking me, the municipality, and any professional they encountered what kind of legal structure they should have to qualify for national government support. No one seemed able to tell them.

In all three municipalities, economic development staff indicated that they would like to fund more economic projects at the community level, and to offer technical assistance, but they are stymied by these internal and external challenges. Bolivian statistics on municipal spending show that the most under spent category is in economic / productive development (Servicio Estatal de Autonomías—SEA, 2013).

In other words, despite the excellent intentions and efforts of municipal staff and officials, the research showed that municipalities face several key obstacles to being able to support bottom-up, community-managed economic initiatives:

- Lack of capacity / knowledge—general problem related to executing the municipal budget and planning ways to support local initiatives

- Confusion about the changing rules and scope of their authority re: new Constitution, Law of Autonomies, creation of municipal charter, etc.
- Conflict between laws—municipalities are supposed to support social cooperative and community forms of economic organization, according to the Constitution, Law of Autonomies, Law of Community Agriculture Reform, but other laws conflict with or restrain their ability to spend in these areas (e.g., the Law of Marcelo Quiroga doesn't allow investment in private enterprises)
- Time—the top-down requirements to focus on Municipal Autonomy Charters, 5-year development plans, etc. do not leave enough time for other strategic focuses
- Central state controls budget categories and allowable expenses for municipalities, despite the rhetoric of municipal autonomy
- Lack of clarity or knowledge by community members about what they want to do or what is possible to do—i.e., difficulties in creating strategic visions or understanding the policy / resource availability frameworks of the national and municipal governments

In summary, the decentralizing of decision-making power and budgetary resources to the municipal level has opened up many opportunities to support the SSE and CED-type initiatives in Bolivia's communities. At the same time, challenges continue to exist in relation to capacity of municipal officials and staff to understand national laws and policies, and unintended consequences of the lack of coordination between national level ministries that translate into contradictory policies at the local level.

Chapter 8. Conclusions

8.1. Aims, scope, and organization of the chapter

This dissertation set out to understand the conceptualization, structures, main issues, and institutional environment for the SE and CED in Bolivia. In particular, it seeks to make links between the SE, CED, and indigenous shifts from marginalization to participation in the development process and what can be learned from the Bolivian example for theory and practice in general. This chapter outlines the key conclusions of this research. First, the findings are explored in relation to each of the dissertation questions. Second, the theoretical implications of these findings are expounded. Finally, areas for future research are delineated.

8.2. In response to sub-question 1

- *How is the SE being conceptualized and implemented by various actors in Bolivia, including the central government, civil society organizations, and members of rural indigenous communities?*

The research showed that the conceptualization of the SE has several significant differences in the Bolivian context compared to the literature from Anglophone North (i.e., Canada, USA and UK). Five main distinctions were identified in the Bolivian understanding of the SE. First, a particularity of the Bolivian context is the conceptual link between the SE and *recovery or reaffirmation of indigenous ancestral practices*. The SE in Bolivia includes the Community Economy—understood as ‘traditional economy’ or economic activity based on the values of reciprocity and collective ways of organizing associated with indigeneity. Second, there is a greater emphasis in Bolivia on the SE as an *alternative to capitalism*, either as push against neoliberalism, especially structural adjustment policies, or building on Marxist / socialist tendencies as part of a leftist push against elite control. Third, in Bolivia, as in many parts of South America, there is a greater tendency to refer to the *Solidarity Economy* than to the SE. Although they are somewhat interlinking concepts, the solidarity focus emphasizes mutual support between small

producers / self-employed and generally encompasses the informal or popular sector in which a large part of the population of these countries make a living. This emphasis on solidarity can perhaps be seen as another way of 'de-linking' from the capitalist model of economic organization. Fourth, *the voluntary sector is not included* in the conceptual typology of SE in this context. In addition, there is no mention of social enterprises or social entrepreneurship. This is quite distinct from the English-Canadian situation in which many NGOs set up or run social enterprises as part of SE activity. Fifth, in Bolivia, as in several other South American countries, there is a *greater attempt to institutionalize* the SSE through government legislation and establishment of government offices or government-owned enterprises to further this part of the economy. These five distinctions about the Bolivian conceptualization of the SE are detailed in section 5.2 above.

Interestingly, actors at the national level were able to give an answer to the question of how they understood the Social and Community Economy, and to some degree how this related to indigenous communities or contexts. Their answers were not, however, very articulate or well developed, at least not in the case of national government actors. Not surprisingly, the people working at the national network of the Solidarity Economy provided the most comprehensive and clear understanding of these terms. At the local level, members of the associations / cooperatives and traditional authorities were consistently uncomfortable, hesitant about answering what these terms meant. In fact, none of these actors ever gave a direct answer to this question.

It can therefore be concluded that most people at the local level (at least in these communities) do not conceptualize the SE in an abstract sense. Nonetheless, they do practice forms of organization that can be identified as fitting into a SE typology and normative framework. It is therefore more relevant to explore how the SE is being implemented, in practice, by people in indigenous communities in future research.

Based on the analysis in Chapter 6, there is evidence that CED-like processes are occurring in the three case study communities. Churicana and Chañojahuá fit the CED principles more than the Tomina case, which was initiated externally and still has much of the control resting in actors who are external to the community. It is important to note that CED as a particular term is not used widely in the Bolivian context; however, Mozos (2011) and others have argued that Latin America is rife with examples of bottom-up economic

development initiatives than can be classified under this term. Likewise, the members of these three case study initiatives are not aware of being involved in CED processes; nonetheless, their initiatives *exemplify CED characteristics*.

In other words, the SE in Bolivia can be best conceptualized as *Social Solidarity Economy* or SSE, and can also be understood to have CED elements and place-specific elements related to the indigenous / colonial history at play.

8.3. In response to sub-question 2

- *What are the main benefits and challenges associated with the Social Economy and CED in rural indigenous communities in the Bolivian highlands?*

A five-point framework was established with indicators to identify the way in which the local SE initiatives approach are supporting asset-based, participatory, integrated, place-based development, and sustainability in particular places. By comparing the initiatives within this framework, it is possible to see the varying degrees to which these approaches are benefitting participants and the associated challenges.

The analysis of benefits related to SSE and CED characteristics shows that these initiatives benefit the participants and communities in multiple ways. Benefits included:

- Mobilizing from existing assets (all three)
- Supporting environmental sustainability (all three)
- Improving local food security (all three)
- Supporting self-management and participatory decision-making (all three)
- Strengthening social capital (interactions of reciprocity / trust between people, active local organizations)
- Cultural retention (Churicana and Chañojagua)
- Income generation (Churicana and Tomina)
- Access to markets (Churicana and Tomina)
- Local economic diversification (Churicana and Tomina)
- Use of appropriate technology (all three)
- Multiplier effects for local economy (Tomina)

- Reduced impact of market fluctuations (Tomina)
- Increased access to health and education services (Tomina)
- Employment generation (Tomina)
- Retention of rural population (Churicana and Tomina)

Many of the benefits are intangible from a purely financial perspective, but incorporated dimensions that are important for well-being in each community—such as contributing to food security, development of appropriate technologies, or strengthening local social capital.

8.4. In response to sub-question 3

- *How are national and local institutions, particularly the central and municipal governments, effecting the development of the SE and CED initiatives?*

Bottom-up, self-directed development processes such as CED do not preclude the need for external actors to support their efforts. The literature shows that strong and sustainable SE organizations and enterprises depend on creating an ‘enabling environment’ through supportive policy and institutional frameworks (Fonteneau et al., 2010). Indeed, the institutional context and willingness or ability of local and national actors to support these kinds of processes has a considerable impact on the scope and scale of impacts the local community can achieve. Institutions can include formal laws and informal customs (e.g., the institution of marriage); formal organizations such as governments and development organizations (aka non-governmental organizations or NGOs); and formal or informal civil society organizations (such as national *campesino* unions or local traditional authorities). Ideally, the norms and practices of the institutions in a particular place foster the framework for collaboration necessary to create an enabling environment for these types of development approaches. In other words, the laws, norms, and organizations of a particular place matter tremendously to the potential for SE and CED.

Many local development projects to focus on developing social capital (networks, trust, linkages) within a community, while in fact, it is critical to develop external networks

and sources of information and resources as well. Social capital has been identified as an important basis for collective action (Woolcock, 1998), such as generating economic initiatives with collective benefit. The Bolivian cases show the wealth of social capital existent in indigenous communities that have maintained values of reciprocity and solidarity and traditional forms of governance.

Rural areas and ethnic communities are generally seen to have higher levels of social capital than urban areas (Ziersch, Baum, Darmawan, Kavanagh, & Bentley, 2009). However, these communities often have strong 'bonding' capital, which facilitates mutual aid and reciprocity, but does not facilitate access to needed external resources (knowledge, networks and finances). Likewise, bridging between two groups of people with equally low levels of political or social power will not generally bring about structural change. Therefore, bridging and linking social capital must be present (or generated) for economic success.

My field research shows that external actors can, and do, support local, bottom-up, SE initiatives and CED processes in the Bolivian highlands. In particular, there was evidence of significant constructive collaboration between municipal governments, NGOs, and the cooperatives / associations. On the other hand, despite the potential for support from the national level, the research showed that the national government of Bolivia was not supporting these initiatives, directly at least not at the time of this research. It could be argued that national devolution of funds and decision-making to the municipal level is indirectly supporting the initiatives, or, at the very least, opening up more possibilities for locally-managed development initiatives.

The municipal governments in all three communities showed significant desire and responsiveness to the local SE initiatives. Well-developed relationships existed between the municipal staff and the community leaders / traditional authorities. Economic development staff regularly visit rural areas on motorcycles to meet with people and participate in community meetings. The participatory budget planning process provides an opportunity for local civil society leaders to determine how public funds are invested in their communities. These elements generate significant potential for effective collaborative governance at the local level.

However, the municipalities face structural and technical challenges in supporting the kind of initiative that each community / group is trying to develop. Table 27 highlights the constraints facing local governments.

Table 27: Constraints on municipal support for SSE and CED initiatives

Type of Problem / Source of Problem	Capacity / Knowledge	Policy / Structural
Internal	lack of knowledge of markets / business planning / enterprise development (municipal staff and locals) lack of understanding or capacity to implement Law of Autonomies (municipal staff and locals)	one year terms of community leaders make long-term strategic planning difficult local communities “compete” for their share of the municipal budget
External		inflexible municipal budget requirements conflicting national policies lack of clarity in national policies

National legislation indicates that national government support for the Social Sole exists, and that municipal planning processes can engender for CED-like processes. Nonetheless, in practice, there are several issues hindering this potential.

First, the national government’s focus on developing state enterprises rather than supporting autonomous SE enterprises fosters relationships of dependency rather than self-determination. Second, subsidized markets created by state enterprises that purchase and sell agricultural products at non-market prices distorts prices and creates dependency on subsidies that are not sustainable. Third, the national level policy suffers from a limited understanding of the forms of economic organization possible within the framework of SE. They focus exclusively on OECAS and OECOMS, which are significant but not the only kind of SSE that can be promoted and recognized. Fourth, there is a lack of clarity for local producer associations about what kinds of organizations the national government intends to support with laws like the LCAR, and/or how to access resources. Fifth, the policies assume homogeneity and do not take into account the particularities of places in terms of the socio-cultural / historical phenomenon. Finally, the government has clear centralist tendencies, evidenced in their plans to organize all small producers into state-owned enterprises and OECAs rather than supporting existing organizations or locally-determined structures.

Nonetheless, potential continues to exist for national policies and programs to support the strengthening and depending of the SSE and CED in Bolivia. This potential exists through:

- Decentralized resources to municipal level—if laws are clarified, the municipalities could begin investing in cooperative / association style enterprises. Although the development of human resources to use these new funds effectively and efficiently is still a challenge for many municipalities, their financial resources have improved substantially. Further, the autonomy process, when complete, should give municipalities more decision-making power to set directions for local development priorities and strategies.
- National government investment in rural infrastructure and productive equipment—the OECAS and OECOM laws have brought about national government budget allocations for increasing agricultural productivity in rural areas.
- When community leaders receive training and support (e.g., in the case of the oregano cooperative), there is evidence of taking action and moving away from dependency

8.5. In response to the main question

- *To what extent are SE and CED initiatives supporting shifts of indigenous peoples from spaces of marginalization to places of participation in political, economic, and socio-cultural terms?*

This section explores the issue of marginalization to participation through the specific examples of the case studies.

8.5.1. Political

As discussed in Chapter 3, moving from marginalization to participation in political terms involves increased decision-making power; recognition of individual or collective human rights; and the existence of organizations and institutions that create effective places for debating and partaking in decisions that affect one's daily life and/or national policies. In the specific case of indigenous peoples, it also relates to increased legal right

to and capacity for self-determination, and especially self-management of traditional territories. There is an underlying assumption in this question: namely, that fostering community participation in planning and implementation of development projects will inherently align better with local goals, needs, and resources. Further, that such participation is particularly critical for groups of people who have been historically marginalized in economic, political, and social terms as a means to fostering shifts from marginalization to participation.

Significant strides toward political recognition and participation of indigenous peoples have been taking place in Bolivia over the last two decades. As discussed in Chapter 3, the election of the MNR in 1952 marked an initial turning point as voting rights were extended (by 1953) to all people living within the country's borders. Indigenous peoples and *campesinos* became citizens with the right to vote for the first time. At the local level, indigenous / *campesinos* began to participate in the *campesino* unions, creating of 'places of participation' as all members could participate in discussions and decisions of local assemblies and select representatives to send to regional and national level assemblies. Ultimately, these organizations became the organizing spaces for grassroots mobilization of indigenous movements. In many places in the highlands region, traditional governance structures were also maintained at the level of the *ayllu* or community. These very local scale organizations allowed for place-based governance as authorities dealt with issues particular to their community, such as resolving internal conflicts.

The three case studies show how these local organizations play a critical role in local development. In all three communities, the municipal level chapter of the CSUTCB is extremely active institution in which local leaders participate in decision-making related to conflict and development in their particular communities; municipal spending; and the municipal strategic development plan. At the level of each *ayllu* or sub-community level, these same CSUTCB leaders are present at all important meetings and events in the community, and are instrumental in originating or supporting the three case study initiatives. For example, in Chañojahuá, the Jilir Mallku (maximum authority for the community) opens the meetings of the cooperative and the council of Mallkus looks for ways to support the cooperative's activities in various aspects throughout the year. In Tomina, the local CSUTCB leaders are also active leaders in the oregano cooperative and

seek ways for the union to support the cooperative through their relationship with the municipality and at the level of the regional assembly of the union. In Churicana, the artisan association was mobilized by a CSUTCB leader who had been elected to the regional assembly (at the level of the department) and had brought back new ideas for local development to his community.

In two of the three case study communities, Chañojahua (Viacha) and Churicana (Tarabuco) are examples of the *ayllu* structure being integrated in the CSUTCB. In Tomina, the traditional governance structures ceased to exist during the colonial period, and the communities are organized only within the CSUTCB union structure. None of the three case study communities are part of CONAMAQ, although several leaders in Viacha indicated that they are considering shifting from the CSUTCB to CONAMAQ to better align with their internal organizational structure. Regardless of the form, the existence of these strong institutions for local participation in decision-making linked into national level institutions (the union's national assembly and the State) show how places of participation have opened up for indigenous / *campesino* peoples. The election of the MAS consolidated the power of these local bodies to affect state decisions on policy and funding as the CSUTCB and other national indigenous organizations are part of the MAS party. This significant shift is evidenced in comments by traditional / union leaders in Viacha who state that they are now involved in municipal planning whereas they used to only have power at the level of their particular *ayllu*. It is further evident in the assemblies I witnessed in which elected officials from national government go to Viacha to report on what they have been doing in office and answer to the hundreds of traditional / union authorities in attendance.

My research shows that the municipal officials, staff and local indigenous / *campesino* leaders definitely feel that they have increasing levels of power to make decisions about issues that affect them at the local level. At the same time, municipal authorities feel constrained by the requirements mandated by the central government as evidenced in Table 27 above. For example, they talked about the way that the Law of Autonomies has taken over the majority of their time but without sufficient resources to implement fluidly or in a timely manner or how their municipal budget planning is constrained by central government mandated categories and spending percentages. In this sense, the central government policies are hampering their ability to proceed

effectively in some areas of local development. Still, the research also shows strong evidence of collaboration and co-construction of municipal / local level strategic plans and spending decisions—between municipal staff / officials and local civil society organizations (unions, traditional authorities, and local businesses).

Another marker of shifts into participation starting with the LPP in 1994 is in the election of people identifying as indigenous into the municipal council. My research shows that in Viacha and Tarabuco, there is a definite crossover between indigenous leaders who rise up through the *ayllu* level organizations, into the municipal level CSUTCB leadership positions, and then into elected positions in the municipality (such as councillors or mayor)⁵². Indeed, two interviewees indicated that there is a cyclical relationship of moving back and forth between the three levels of leadership over time. The election of people identifying as indigenous, from a place that has a majority indigenous population like these rural areas, is a significant shift from marginalisation to participation in political terms. However, Cameron's (2009) research in the Potosi region of Bolivia showed that municipal officials still do not have enough power to make important decisions about the nature of development in their local areas. "The elected indigenous mayor was able to redistribute municipal resources in favour of marginalized neighbourhoods and rural communities but failed to have any real impact on serious environmental contamination produced by powerful mineral-processing operations in the municipality" (Cameron, 2009, p. 75). Thus, even when an indigenous person was elected, they might still only be able to work in 'marginal spaces', as national or local elites continued to control the economic sphere.

My research indicated that officials in Tarabuco and Viacha are hopeful that the Autonomies designation will give them more decision-making power and control. The Viacha mayor spoke of a desire to regulate pollution in their local water systems, and the Tarabuco official spoke of their desire to have more input regarding tourism development in their region. It is not yet clear if the designation of Autonomies will in fact give them the kind of power they seek. The law of Autonomies is certainly a significant in terms of creating a framework for self-determination (i.e., indigenous control over local territories).

⁵² Unfortunately, I don't have enough information about the makeup of the municipal council in Tomina to determine if the same is true in this case study.

However, reading the law reveals that the central government retains control of all the municipal and indigenous territories below 30 cm (Law of Autonomies, 2010). As such, resource extraction is a 'shared responsibility' between the central government and the local governance bodies. Given the size and power of the national government compared to local bodies, it is difficult to see how this power sharing could actually work out to any significant control at the local level over resource extraction. Indeed, one rural leader that I interviewed said that the goal of forming the MAS was to gain control of their territories, and a national political party was seen as the vehicle to realize this objective. "But now we are in the national government and we still don't have our territories," he stated (local interviewee 8, 2011). Research for this dissertation further showed that the process for implementing this law is long and complex and confusing. It is still not yet clear if or how this regime will actually create more autonomy (self-determination) at local levels and in particular in indigenous territories.

Nonetheless, the LPP and LDA created many openings for grassroots organization and leadership development. According to Eaton (2007), a new generation of leaders for social and indigenous movements developed through taking on leadership roles in the newly created municipalities and through grassroots participation in municipal planning. Ultimately, the concerns discussed about local issues translated into protest movements that sought to gain more power for self-determination at the local level. For example, the Water Wars in Cochabamba arose from local rejection of the national government's policies to privatise water systems, and the resulting political organizing culminated in the formation of the MAS political party (Eaton, 2007). The MAS election at the national level in 2006 represents an extremely significant moment in power shifts for Bolivia's indigenous peoples.

Furthermore, it could be argued that the 2009 Constitution represents a greater recognition of place—instead of abstract rights and guidelines; the new law recognises the country's colonial history, the inequities between socio-economic classes and ethnicities, and indigenous nations. The recognition of the plural economy in the Constitution, and the ensuing Laws of Community Agricultural Reform, OCEAS Law and Law of OECOM further delineate a significant role for municipal governments and locally-based organizations to develop and strengthen the social and community economy. There is potential here for local decision-making bodies to become increasingly involved in defining

and strengthening economic models based on their particular needs and goals. The research showed that the municipalities in all three communities are aware of this emerging role as facilitators of the social / community-based economy, but are still struggling to develop sufficient capacity and decision-making power to do so effectively.

Bolivia has seen significant progress in creating place-based modalities for political participation at the local level, including for indigenous *campesinos*. Bottom-up participation is important to be able to incorporate the specificities of particular groups and places into framing and deciding on policy directions and budget allocations. However, the national regime is too inflexible to allow for effective convergence between bottom up and top down. People at local levels spend significant time trying to mold their initiatives, plans and budgets to meet national requirements but without having a clear picture of what is allowable or not. There is evidence of preliminary forms of convergence between local decision-making and national decision-making, but a more flexible regime on the part of the national government would allow laws to be interpreted and implemented according to local needs, visions, and potentials.

8.5.2. Economic

The SSE and CED can emerge in response to both the neoclassical emphasis on the role of civil society to correct market failure, and leftist focuses on collective action by and on behalf of marginalized groups in the face of exploitation or exclusion. Forms of organization that correspond to the SSE can create integrated development with economic, social, cultural, and environmental bottom lines. The SSE has the potential to be a bridge between indigenous territories and the market economy. In addition, the SSE can be a way to support self-determination, as evidenced in the Basque region of Spain. The rise of the Solidarity Economy in Latin America is conceptually linked to movements for self-determination in the face of perceived domination of the North.

The research shows the need to combine external support with bottom-up action to realize the full potential of SE enterprises in places that have been depleted and marginalized for long periods of time. The need for external actors to facilitate linkages and form networks is a grounded and place-based way of thinking. These initiatives are grounded in place, which helps to link marginalized communities into markets and capital

flows. Because they are founded in place, the flow of benefits accumulates in place and circulates in place. Of course, this functions better in Tomina, because the oregano cooperative has linked to a market niche that provides a good flow of capital. Churicana has linked to some capital from international tourists. Only Chañojahuá is a non-monetary initiative, and therefore does not see improved economic participation.

However, there are still many issues to resolve to reach the full potential of these initiatives to generate significant economic participation. The initiatives are at different stages of development. Chañojahuá is not yet an enterprise, and it is yet uncertain if it will become a market-oriented initiative. Churicana is in a start-up phase. Tomina is a consolidated initiative and enterprise, in an expansion phase. In terms of income earning potential, with such small scales of production what kinds of markets are possible? I posit that only specific market niches work for these kinds of products, as obviously they cannot achieve mass markets. Another issue is market saturation. Potatoes and crafts like the ones produced in Churicana and Chañojahuá are over-produced compared to the market size, at least within national borders. Tomina has overcome this through scientific research and development. However, that took a significant amount of money. Is it worth it to invest five million to create an income of \$245 US per year for 4000 farmers? I would say “yes”, if keep rural livelihood and cultures alive, a way of life, keep the cities from overcrowding, and the land base that is so important for indigenous identity.

The notion of place-based development also explains how small-scale initiatives can be competitive. Mainstream economic development theory posits the need for economies of scale; comparative advantage; and, specialization of regions, countries according to the needs of the global economy. By contrast, these small initiatives can only function by targeting very specific niche markets. Working together is necessary to create a scale of production that is significant enough to meet regional, national, or international market demands. Rigorous market and product research created a competitive edge in the case of Tomina’s oregano, indicating that engaging in thorough research is critical to achieving a competitive edge in product and production as well as to finding viable niche markets for small producers.

Perhaps the goal for small-scale initiatives such as these should not be to achieve a competitive edge in the large sense (i.e., to compete with other countries / regions), but

simply to capture enough of a niche market to be able to continue living in rural areas, with traditional lifestyles or values. All three communities mentioned goals related to the idea of “Vivir Bien” (living well) that is identified multiple times in the Bolivian Constitution. As discussed in Chapter 3, this concept is founded on principles of living in harmony with nature and with other people—to live well but not at a high consumption level. In all three case study communities, several cooperative / association members indicated that they would prefer to live a simpler life in their home community, if they could have enough to eat and sufficient cash income, rather than live in the city with a more materially-based and consumerist lifestyle.

8.5.3. Socio-Cultural

On one hand, the 2009 Constitution makes important openings for indigenous peoples to increase self-determination, through self-management of territories and local areas and through recognition of the cultural values, norms, and forms of organization associated with Bolivia’s Aboriginal peoples.

On the other hand, the Constitution is not place-based enough because it does not recognize the heterogeneity among the indigenous peoples. First, it tends to conflate ‘indigenous’ with ‘traditional’. Second, it recognizes norms and values of *Aymara* and *Quechua* people predominantly, leaving out the other indigenous nations within the country. Similar issues are inherent in the OECAS and OECOM laws. In fact, the research for this dissertation shows that indigeneity is diverse and changeable. The three case studies in this dissertation show a range of ways that indigenous identity manifests across places in Bolivia and with differentiation in the spectrum of ‘traditional’ vs. ‘modern’.

Strobele-Gregor (1996) posited that indigenous identity in Bolivia is evolving as a new form of modernism, defined by multiple groups of indigenous peoples in multiple settings, as historical subjects. In other words, indigenous/ Aboriginal/ *campesino* people are defining their own ways of being modern, a process referred to as ‘autonomous modernity’ (Strobele-Gregor, 1996). They are not on a linear path from traditional to modern—they are already modern, but in their own ways. Understanding indigeneity as multiple in form and non-linear fits well within a postdevelopment framework. My research supports such an understanding of the nature of being indigenous in the Bolivian context.

Indigenous people are not living on a continuum from traditional to modern; rather they have their own forms of modernity which are complex, varied, and layered.

For indigenous peoples, the connection to the land and their traditional territory is critical as a basis for identity and ways of life that reference their history and culture (Anderson, et al, 2006b). This is not to imply that indigenous peoples must live in rural areas to retain culture and identify. Rather, that the ability to live in community, on traditional lands, creates places where indigenous culture can be retained, regenerated, and reconceptualized. Thus, even if someone identifying as indigenous wears contemporary western clothing and listens to rap music; or lives in the city and goes out to their farm / Aboriginal community only on weekends; or wears traditional clothes and speaks mainly their Aboriginal language—for all of these forms of being indigenous, the land that is traditionally associated with their people is the place that shelters their sense of who they are and where they come from.

The Chañojahua initiative is therefore powerful for bringing people together in the historical place associated with their heritage and identity. The co-op's agricultural activities bring people back to the community from El Alto and Viacha to participate in growing traditional crops, using traditional crop processing methods, and using cultural activities such as Apthapi.

The Churicana initiative is likewise strong in retaining youth to live in the place associated with their culture and heritage. By providing a possibility for income generation, people can 'stay in place' rather than seeking opportunities outside. This in turn allows them to maintain, regenerate, and collectively create their identity and cultural practices.

The Tomina initiative is the least associated with something that can be called 'indigenous culture'. However it also allow people to stay in or return to the place from which they generate their sense of belonging and identity and to live in ways that people have lives in that place for thousands of years—although simultaneously living in the modern world.

These findings suggest that generating economic activities that allow people to stay in place, rather than migrate to places that the space-based economy designates as

having value,⁵³ is critical to creating socio-cultural power for people identifying as indigenous. In other words, retaining people on traditional territories who can support themselves is important to the ongoing retention and regeneration of culture and identity for many indigenous peoples.

8.6. Theoretical implications

Although local institutions and national policy contexts are different between regions and countries, there are some points and principles from the Bolivian examples that can be generalized or contribute to development theory and practice in other places.

(1) The SE emerges in differentiated and multiple forms but always with a similar motivation: The research for this dissertation has shown that the SE emerges in varying forms between places, in conceptualization and practice. I have identified five key ways that SE conceptualization is different in Bolivia compared to Canadian, US or the UK. In practice, Bolivian forms of SE tend to build on existing values from traditional community forms of economic organization—that is, existing norms and structures such as collective organizations, solidarity, and reciprocity.

By exploring how the SE manifests in three indigenous highlands communities in Bolivia, the dissertation makes a contribution to the ‘credible experiences’ of non-mainstream or postdevelopment forms of development. These case studies support the Gibson-Graham proposition to re-interpret and reframe postdevelopment—that there are different forms of economy, different forms of development, and that by documenting these; we create a collection of enough examples to form a viable alternative to the globalized, space-based, comparative advantage conceptualization of development. As such, this dissertation argues for the need to move beyond postdevelopment toward identifying more inclusive, relevant, and responsive modes of socio-economic transformation.

⁵³ By “places that the space-based economy designates as having value” I am referring to large cities, highly developed commercial agriculture areas, or areas with mining operations places that have a comparative advantage of some kind in the national or global economy.

Further, by identifying the conceptualization and practices in Bolivia, this dissertation helps to broaden the SE and CED literature to incorporate Southern-generated ideas and action. This dissertation therefore expands the literature on SE and CED into a Global South context. CED and the SE need to be re-interpreted / framed with a southern context where the SE is understood as a way to re-structure economic models toward decolonized / postcolonial structures that integrate place-based goals and priorities.

Nonetheless, the dissertation also shows that the conceptualization and practice of the SE and CED in Bolivia arises for similar reasons as in other places—namely, that the space-based economy (the global profit-driven economy) leaves particular places and groups of people depleted and excluded. The SSE and CED emerge as responses to empower people to create improved social and economic well-being in particular places.

(2) Need to reconceptualize entrepreneurship and economic models managed by indigenous peoples: The findings show that at least some indigenous peoples in Bolivia are engaged in economic activities that can be characterized as Social Solidarity Economy and CED forms of organization. The three initiatives fit the definitions of SE typology described in the literature, in terms of their structures, normative approaches, goals, and distribution of benefits. Their associative structures also can be seen to ‘fit’ with the Bolivian Constitution’s identification of the ‘social cooperative form of economic organization’. The research also shows that traditional forms of economic organization such as Community Economy practices do still exist in Bolivia, to varying degrees. This means that the characterization of the SE in Bolivia is indeed distinct from the conceptualization in the Global North—the values and practices of *trueque*, *ayni*, and collective work are shaping how the SE is practiced in this context. At the same time, it is evident that the Community Economy way of organizing is more important in some places than in others; and that in all cases these practices are diminishing or have already become defunct. The conceptualization of ‘indigenous rural economy’ is therefore romanticized when conflated with ‘Community Economy’.

The research further shows that while there is little desire to return to traditional forms of economy (i.e., operate as a Community Economy exclusively) in the three case study communities, that all three places put significant emphasis on incorporating

'indigenous' values and ways of life into economic activities, or in using economic activities to keep culture alive. These findings support the view that indigenous ways of being and doing cannot be seen within a 'traditional' vs. 'modern' binary—indigenous peoples in Bolivia are creating their own ways of being modern (Strobele-Gregor, 1996). While they have been and continue to be (to a lesser degree) marginalized economically, politically, geographically, and are subject to the dominating forces of colonialism and globalization, they are also actors, taking a role in defining how to interact with these larger forces, to impact the shape the global takes at the local level.

The research therefore indicates that economic initiatives created in these kinds of settings require new ways of conceptualizing and supporting entrepreneurship. Anderson et al. (2006) have written about the need to conceptualize entrepreneurship and business models in new ways to incorporate indigenous forms of entrepreneurship. Tapsell and Wood (2010) further propose that entrepreneurship is socially and historical situated. This dissertation indicates that indigenous entrepreneurship can take many forms, but all three cases share a common denominator: keeping ways of life alive and working collectively to achieve mutual benefit. It seems evident that all three have an orientation of working together for collective good, especially to keep their communities alive. While a 'communal' approach to the economy does not appear to be strong in the three communities (land ownership and production is organized around the family unit, and there is little evident desire for collective ownership), there is evidence of peoples' overall interest in generating community-level well-being.

Further, the research shows that SSE forms of organization and CED processes can contribute to indigenous self-determination. The struggle of indigenous peoples to find ways that improve their lives in material (economic ways), but that still maintain or incorporate specifically indigenous ways of being and doing, is an integral component of self-determination. The research shows that SSE and CED models and strategies can support indigenous self-determination, both conceptually and in practice. The SSE and CED can contribute to improving the economic, social, and cultural well-being of indigenous peoples, particularly in rural areas, supporting the maintenance of particular ways of life such as governance and cultural practices, and contributing to increased food security and/or cash income. The collective nature of the initiatives contributes to their ability to overcome barriers related to economies of scale, access to markets, etc.

Nonetheless, there is still a long way to go from current initiatives to truly self-sustaining, self-managed collective economic initiatives that support indigenous people's self-determination and well-being.

(3) Place matters: The third contribution of this dissertation is that place matters to the potential, form, and agency of development. Institutions, both formal and informal, shape the social and economic relations at various scales—local, regional, national, and international. The culture, history, situation of particular places supports or impedes efforts to foster collective, bottom-up development approaches or to engage with the mainstream economy. These dynamics in turn affect the set of existing and potential assets that converge in particular places at particular times, thereby creating a unique potential specific to place. As a result, thinking about development in terms of place can help local actors to move beyond the abstract and unwieldy scale of global or national forces. It is also critically important to recognize *place* as a site of multiple layers of networks and connections created through relationships to other places. Place is not bound or discrete. The three communities have similarities at a general level of analysis. All three are indigenous (by self-definition), rural, peripheral in terms of the global economy, experiencing high levels of out-migration, and relatively poor. However, the cases have shown the differences in each place in terms of the type of SSE initiative, cultural context, the goals of the initiative, achievements and impacts, degree of external support, and particular obstacles.

This research shows how the unique institutional context at various scales affects the reality and potential for the SE and CED in particular places. Bolivia, for example, has the potential to create a kind of loop between bottom-up movements for change and top-down politics (many social movements' ideas incorporated into the Constitution and legislation, and then could loop back down to support grassroots development) but much of this potential is not realized, at least not at the present time. Centrifugal forces are dominating the political and economic landscape of Bolivia at this time, with highly centralist tendencies.

The research suggests that national level policy in Bolivia does not take into account the actual goals, ways of doing, values, resources, and obstacles of local level indigenous communities. With the current centralist tendencies of the state, combined

with the tendency to romanticize collective / indigenous forms of economic organization, current policies will not foster increased autonomy and self-determination for these rural communities. Some redistribution of resources is occurring—from one region to another (e.g., gas taxes being spent on infrastructure in another region) and between urban and rural areas (with government transfers to rural municipalities). However, the president's stated goals of creating a postcolonial society, in which indigenous peoples can fully take on management of their own territories and communities, including forms of economic development, does not seem likely to occur under the current trajectory.

Exploring the issues on multiple scales (producer associations, local municipal level, and national level) helps to understand the complexity of the situation and how the particularities of place shape and re-shape the opportunities and constraints for SE and CED. Therefore, national and local government policy and actions need to take into account this complex web of interactions in each local place, and in the place that is Bolivia as a country. The findings show that there is significant variation in the structure and goals between communities, calling for place-based policy that takes into account the specificities of each particular context. They are all engaged in initiatives that can be categorized as part of the SE, but their differences (in scale, degree of market orientation, incorporation of traditional cultural practices or governance structures, degree of institutional support) point to the need for policies and programs that are flexible and do not assume a single approach to supporting economic and social development in Bolivia's rural indigenous highlands communities. For example, policies should recognise the specific goals of a community or region—some places may wish to develop industries that are competitive on a continental or global scale, while others might simply be seeking a sufficient share of a local or regional (within national boundaries) market. Place-based development also incorporates the need to recognize the particular strengths and potentials of a particular community, group of people, or region (Markey et al., 2012).

Economic development in indigenous contexts can have important and specific dynamics to take into account. Collective approaches to achieving mutual benefit are common in such contexts, as is the desire to retain or regenerate heritage and traditional cultural knowledge and practice. Developing economic initiatives that allow people to 'stay in place' is important for many indigenous peoples. At the same time, indigenous communities or territories should not stay in or return to the past—rather, they can be

understood to be heterogeneous and to manifest autonomous forms of modernity compared to one another and compared to others groups in society. Indigenous communities and territories are not isolated islands; they are embedded in a complex and multi-layered web of forces and interactions that shape their reality, possibilities and identities. Developing economic initiatives in such contexts requires understanding the relations between these places and the region / nation around them (culturally, economically, and politically).

I posit that the concept of place-based development allows for a greater degree of participation and self-determination by indigenous peoples in economic, political, and socio-cultural life than *space-based development*. As described in the previous chapter, *place* recognizes the specific uniqueness of each place and uses this as a basis for decision-making and action to improve well-being. Therefore, *place* can incorporate the history of colonization and struggles for self-determination of indigenous peoples in resistance to the space-based world system. *Place* recognizes the unique culture, values, ways of doing and being upon which community-based economic development can emerge. It recognizes the potential of specific sites that can respond to global forces in ways that work for particular people and their goals and needs. In a sense, the concept of place can be empowering for peoples who have been marginalized in multiple senses.

8.7. Areas for further research

There are several lines of inquiry that are beyond the scope of this dissertation, but that would result in a broader and deeper understanding of CED and the SE in the Bolivian context.

First, it would be highly useful to collect statistical data about the numbers of SE entities in the country, the number of people they employ, and the size of their annual budgets, investments and sales. Such information would show the size and scope of the SE in Bolivia and its overall contribution to the economy and employment.

Second, it is important to continue to follow the national government implementation of the Plural Economy—including the law of OECAS and OECOM. Also, the implementation of the Law of Autonomies. Information for this dissertation was

gathered mainly in 2011, with a few updates in 2012 and 2013. Research needs to continue to see if the trends and issues delineated herein continue to play out or change or what.

Third, a regional level comparison between CED and local SE initiatives within the Andean region would also result in rich and cross-referential information. Such information could be useful to academics and practitioners alike.

Fourth, these case studies are located in highlands and highland valleys of Bolivia—geographical areas associated with *Aymara* and *Quechua* culture. For comparative purposes, research on similar initiatives among the peoples of the plains, lowlands, and Amazon would provide rich detail.

Fifth, this dissertation did explore issues related to socio-economic inequalities related to physical geography and ethnicity. However, gender was not explored to any significant degree. Research on the gender-specific issues, benefits, impacts and challenges within the SE and bottom-up economic initiatives would provide another layer of understanding.

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Appendix A: List of Interviews

	Title / Position	Level	Institution / Affiliation	Type of Institution	Focus of interview	Informs
1	Vice Minister	National	Ministry of Productive Development and the Plural Economy (Min DPEP)	National Government	Government policy on social / solidarity / community economy for rural areas	Context / National Level Policy
2		National	Vice-ministry of Commerce, (Min DPEP)	National Government	Government policy on social / solidarity / community economy	Context / National Level Policy
3	Director of AIOCS unit	National	Ministry of Autonomies	National Government	policies and state of implementation on autonomous indigenous territories	Context / National Level Policy
4	President	National	Movement for the Solidarity Economy and Fair Trade (MES y CJ)	Civil Society Organization	civil society goals and actions for strengthening the social and solidarity economy	Context / National Level Policy
5	Project Manager	National	MES y CJ	Civil Society Organization	civil society goals and actions for strengthening the social and solidarity economy	Context / National Level Policy
6	Elected Leader	National	CSUTCB	Civil Society Organization	national indigenous organization actions for strengthening the social / indigenous / community economy	Context / National Level Policy
7	President	National	Movement of Indigenous Women	Civil Society Organization	national indigenous organization actions for strengthening the social / indigenous / community economy with reference to gender	Context / National Level Policy
8	Counsellor	Local	Autonomous Municipality of Viacha	Municipal government	municipal government goals, priorities and understanding of development	Viacha case study

	Title / Position	Level	Institution / Affiliation	Type of Institution	Focus of interview	Informs
9	Mayor	Local	Autonomous Municipality of Viacha	Municipal government	municipal government goals, priorities and understanding of development, achievements and challenges with participatory planning	Viacha case study
10	Jillir Mallku Originario de Charawayto	Local	Central Agraria (CSUTCB)	Civil Society Organization	goals, achievements for CED initiatives in the community of Charawayto (Viacha)	Viacha case study
11	Mallku	Local	Central Agraria (CSUTCB)	Civil Society Organization	goals, achievements for CED initiatives in the community of Charawayto (Viacha)	Viacha case study
12	Director	Local	COMAI	NGO	goals of the NGO in working in Viacha, changing approaches to development under new government and constitution	Viacha case study
13	President	Local	Textile Cooperative	Cooperative	history, goals, achievements, challenges of community-based cooperative	Viacha case study
14	Director, Economic Development	Local	Autonomous Municipality of Tarabuco	Municipal government	municipal goals for economic development, resources and activities including support for Churicana textile cooperative	Churicana case study
15	Elected Leader	Local	Deliberative Assembly of Tarabuco	Municipal government	processes of autonomy for indigenous peoples	Churicana case study
16	Staff	Local	ProAgro	NGO	NGO goals for economic development, resources and activities including support for Churicana textile cooperative	Churicana case study

	Title / Position	Level	Institution / Affiliation	Type of Institution	Focus of interview	Informs
17	Country Director	Local	Socodevi	NGO	Oregano cooperatives project—history, goals, achievements, challenges	Tomina case study
18	General Manager	Local	Spice and Condiment Business Unit (UNEC)	Social Enterprise	Oregano cooperatives project—role, functions, finances of the enterprise that processes and sells the oregano	Tomina case study
19	President	Local	Tomina Oregano Cooperative	Cooperative	Oregano cooperatives—what they have done for the local people, history of the initiative, effects, functioning of the co-ops	Tomina case study
20	Member	Local	Tomina Oregano Cooperative	Cooperative	Oregano cooperative—what it has done for him and his family	Tomina case study
21	Mayor	Local	Autonomous Municipality of Tomina	Municipal government	Oregano cooperative—what it has done for the municipality, how the municipality contributes to this and economic development in the municipality in general	Tomina case study

Appendix B: Questions for Members of Initiatives

Sobre la población de la comunidad		
Cuántas familias en la comunidad		
Cuantas personas promedio en cada familia		
Dónde los niños van a la escuela		
Hasta qué nivel lleguen en la escuela, normalmente (diferencia entre niñas y niños)		
¿Qué idioma hablen en la comunidad mayormente?		
CAPACIDADES	HOMBRES	MUJERES
Educación primaria (terminar)		
Intermedio (terminar)		
Secundaria (terminar)		
Técnica (terminar)		
Universitaria (terminar)		
Capacitación fortalecimiento		
Profesionales		
Lideres		
Capacidad textiles		
Capacidad laboral agricultura		
Capacidad laboral ganadería		
Capacidad veterinario		
Capacidad de medicinas tradicionales		
Migración a lugares urbanos		
Sobre tierra		
Cuántas hectáreas tiene la Comunidad		
Promedio de tenencia de tierra por comunario		
Han realizado saneamiento de la tierra		
Cómo es la calidad de la tierra		
Hay agua potable		
Hay riegos		
Hay agua subterráneo		
Hay tierra que pertenece a la comunidad o a la asociación o toda la tierra es privada		
Sobre Producción y Consumo (Producción Agrícola)		
Qué cultivamos para el consumo		
Qué cultivamos para vender En dónde		
Que compramos para comer		
Cuando gasta una familiar por semana en comida		
Cuando ganamos vendiendo productos agrícolas		
Nuestro suelo es bueno para producir		
Qué problemas tenemos en producir		

De todo que consumimos, que porcentaje producimos	
Realizamos treque Con quienes	
Realizamos trabajo colectivo...Quienes y cuando	
Realizamos <i>ayni</i> Quienes y cuando	
Sobre infraestructura	
<i>Qué infraestructura (capital físico) existe en la comunidad</i>	
<i>Tipo de Infraestructura</i>	<i>Si o No</i>
Casas	
Establos	
Abastamientos	
Escuela	
Sede	
Electricidad	
Caminos	
Teléfono	
Internet	
Señal Celular	
Sobre las organizaciones en la comunidad	
Cuáles son las organizaciones en la Comunidad y Qué son las Actividades o Áreas de Acción	
Cuáles son las organizaciones más activas o más fuertes en la comunidad	
Sobre problemas y cambios en la Comunidad	
Las preocupaciones o problemas más fuertes en la comunidad	
Que ha cambiado en su comunidad o que ha mejorado en los últimos anos	
El gobierno nacional ha contribuido algo a su comunidad desde que gana el Evo	
Sobre el Emprendimiento	
Cuando se estableció	
Tiene personería jurídica	
Cuantos miembros hay, Cuantos mujeres, cuántos hombres	
Ser socio es por familia o por individuo	
Quien se inscribe como socio el esposo o la esposa	
Cómo se decide quién puede entrar como socio Tiene que pagar algo	
Cuantos directores	
cada cuanto se cambian, y Se eligen por voto o rotación	
Tomen decisiones por consenso o voto	
Como dividen las ganancias de las ventas	
Que es la cooperativa con la parte de los fondos que le corresponde	
Qué vendemos	
A quien vendemos	
Dónde vendemos	
Los precios / ganancias está bien, porque si o no	
Han recibido algún aporte externo De quiénes	

Que ha logrado la asociación
Hay algo que quieren aprender para mejorar su asociación
Que necesitan para avanzar o progresar su asociación
Como el gobierno municipal puede aportar y como
El gobierno nacional puede ayudar, y como