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Concentration and “foreignisation” of land in Bolivia

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ABSTRACT This article examines Bolivian agriculture and the recent changes in this sector in the department of Santa Cruz, including the functioning of regional land markets, the legal insecurity of property owners, environmental impacts, transnational initiatives and the institutional weakness of the state in the registration of land transfers. It also examines the history of the concentration of land in the hands of foreign citizens, particularly Brazilians, as part of the rapid expansion of soybean cultivation since 1993 and, more recently, in ranching.

RÉSUMÉ Cet article se penche sur la situation de l'agriculture en Bolivie et sur les changements récents qui sont survenus dans le département de Santa Cruz. Il porte plus particulièrement sur le fonctionnement des marchés fonciers régionaux, sur l'insécurité juridique des propriétaires, sur les impacts environnementaux, sur les initiatives transnationales et sur la faiblesse institutionnelle de l'état dans l'enregistrement des cessions foncières. Enfin, il présente un historique de la concentration de terres dans des mains étrangères, brésiliennes en particulier, en lien avec l'expansion rapide de la culture de soja depuis 1993 et celle plus récente de l'élevage.

Keywords: land grabbing; land concentration; “foreignisation”; soya; Bolivia

Introduction¹

Bolivia has a population of approximately 10 million people, 62 per cent of whom identify as indigenous. The total area of the country is 109 million hectares, with approximately half of the area covered by forests with a high degree of biodiversity and another third formed by semi-arid or arid lands. There are approximately 660,000 agricultural units in Bolivia (small, medium and large), of which 87 per cent are small producers that are generally of indigenous and *campesino* (peasant) origin and located in the highlands regions (World Bank 2007).

Twenty years ago, the supply of food crops in Bolivia was still dependent on imports and domestic production was largely in the hands of small producers of indigenous and *campesino* origin but this is no longer the case. In recent decades, the gross domestic product (GDP) of the Department of Santa Cruz had an average annual growth rate of above 5 per cent, which is higher than the national average of just less than 4 per cent. This is due primarily to the contribution of agriculture and agroindustry as well as the important share represented by natural gas exports. Santa Cruz is second among Bolivian departments in terms of export revenue, trailing only Tarija, the primary exporter of natural gas. The agricultural sector (oilseeds, sugar, leather, wood, cotton and related derivatives such as oils and alcohols) contributes 56 per cent of the total

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exports of Santa Cruz. Nonetheless, Bolivia continues to be a deficit producer of wheat, rice and corn (CEBEC-CAINCO 2008).

Estimates for the year 2010 find that Santa Cruz has the largest population of any department in Bolivia, with 27 per cent of the national population. Santa Cruz is the primary magnet for domestic and international migrations; while settlements by landless *campesinos* from Andean regions are neither well received nor encouraged, citizens of other countries that bring technology, capital and business opportunities for Bolivian elites and middle classes are welcomed (Montenegro and Guzmán 1999). For these reasons, this study of land markets, land concentration and the ongoing process of “foreignisation” focuses on the department of Santa Cruz, which is the only region of the country where this phenomenon is relevant.

Changes in agriculture, ranching and forest concessions

Recent decades have produced a significant increase in the area of cultivation in the Bolivian lowlands. There was a leap in the cultivated area in Santa Cruz, from slightly over 400,000 hectares in 1990 to more than 2 million hectares in 2011. The area of cultivation for soybeans and other oilseeds approaches 1 million hectares, with the remaining area dedicated to sugarcane, cotton, wheat, rice, corn and other food crops. Santa Cruz comprises almost 66 per cent of the total of 2.7 million cultivated hectares of land in Bolivia (CEBEC-CAINCO 2008).

Over a 19-year period (1990–2009), the area of cultivation of soybeans increased almost sixfold (see Figure 1). Despite ongoing complaints by producers that the persistent legal insecurity of land as well as export controls and quotas established over the last four years (since 2008) hinder the expansion of production, the area of soybean cultivation has continued to increase, if at a slower pace (in comparison, soybean cultivation in Paraguay has proceeded much more rapidly).

According to the Land Use Plan (PLUS) for the Department of Santa Cruz, there are no remaining lands designated for intensive soybean cultivation (Type I), since all designated lands are already under cultivation. This means that pressure will increase on less appropriate surrounding lands, which would require greater investments in the preparation of lands, the adaptation of seeds, and which could produce even greater environmental impacts. Despite this, the

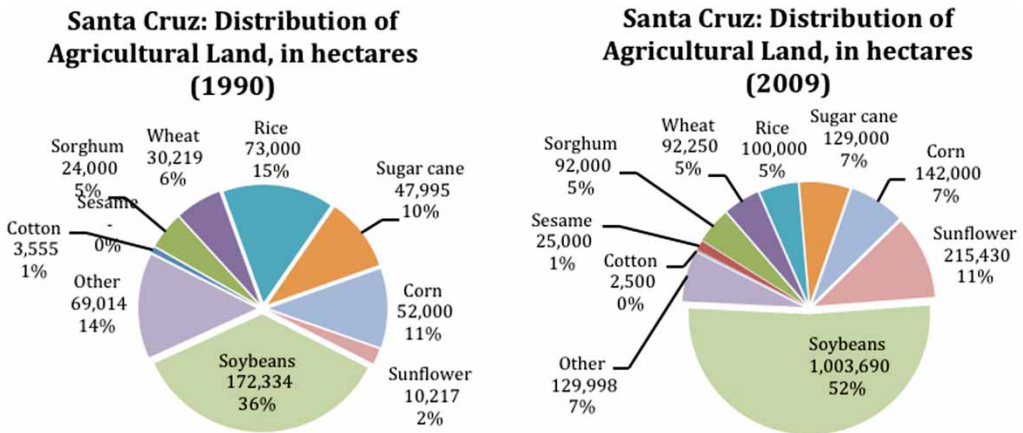


Figure 1. Expansion of the agricultural frontier and land use change between 1990 and 2009, Department of Santa Cruz, Bolivia.
 Source: CEBEC-CAINCO (2009).

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Bolivian Institute of Foreign Commerce (IBCE), which represents Bolivia’s main agricultural exporters, forecasts that by the year 2030 the use of irrigation and transgenic seeds for cotton, soybean and corn crops could triple the cultivated surface represented by these products up to a level of 6 million hectares “without affecting forests or deforestation” (IBCE 2012).

Despite the change in the structure of Bolivian agricultural production centred on the eastern region, as well as the attempts of the government of Evo Morales (2006–2012) to promote greater domestic food production, the national food security situation continues to be precarious. Never before has Bolivia imported as much food as in the years 2006–2010, with imports calculated at a value of over US\$1.1 billion. In the year 2009 alone, Bolivia imported 600,000 tons of food in order to maintain domestic price stability and satisfy the increasing demand of urban consumers, but at the cost of discouraging domestic producers and, in particular, small landholders.

There are approximately 7 million head of cattle in Bolivia. The Department of Beni has the largest cattle numbers, followed by Santa Cruz and Tarija. Ranching is practised extensively in the majority of the country, but in Santa Cruz there is a progressive change towards intensive breeding or feedlot practices. Ranching activities in the Department of Santa Cruz include dairy cattle and beef cattle, as well as dual purpose breeds. There are approximately 3 million head of cattle in Santa Cruz, an amount which represents 40 per cent of the national total.

Ranching has great potential for growth because of the existence of appropriate lands for this type of activity. Out of a total of 37 million hectares that form the Department of Santa Cruz, it is estimated that slightly more than 22 million hectares (61%) could be utilised for cattle, although this would entail the destruction of native forests. It is estimated that ranching in the department of Santa Cruz represents an investment of US\$1.1 billion, part of which is invested in the 650,000 hectares of cultivated pastures and the 5 million hectares of forestry and natural pastures areas (CEBEC-CAINCO 2008).

In Bolivia, references to forests signify native forests that are rich in biodiversity and precious woods. Nearly half of the Bolivian territory (48%) is covered by these tropical forests,² although in recent years the rate of deforestation due to planted pasture, agro-industrial crops and human settlements represents an average of 300 million felled hectares per year, the majority of which are in the Department of Santa Cruz. Aside from a very limited area of exotic eucalyptus and pine forests in the valley regions, planted by *campesino* communities for the purpose of extraction of essential oils, wood products and firewood, there are no large planted forests in Bolivia. There are no paper industry or forest plantations for the extraction of pulp for cellulose. Exports of logs were prohibited 20 years ago and timber is now exported, after certification, as planks as well as, more recently, furniture, doors, floors, boards, windows and beams.

There are approximately 4.5 million hectares of controlled forests in Bolivian Forest Management Plans, 3.5 million of which are managed by private companies and approximately 1 million of which are managed by indigenous peoples in the lowlands region. Of this total, nearly 2 million hectares are certified. In 2006, 300 varieties or species of trees were extracted from natural forests at a volume of 1 million cubic metres per year. The majority of concessionaires are vertically-integrated companies with both logging activities and wood industries. This year, the value of wood exports was nearly US\$7 million. In fact, the use of 40-year forest concessions, which are renewable indefinitely on the basis of forest audits every five years, should be considered as a form of “quasi-property” (Guzmán and Quevedo 2007).

Since the beginning of the process of land adjudication (*saneamiento*) in 1996 until the end of 2011, more than 22 million hectares of land have been titled in the category of indigenous lands, of which almost 66 per cent are in the eastern lowlands, Chaco and northern Amazon regions. This means that a great majority of forests are now the collective property of the indigenous peoples that inhabit these lands on an ancestral basis and have won the right to free, prior and informed consultation about any investments that are made in their territory, whether by the

state or private companies. The titling of indigenous territories was especially advanced during the period of the first administration of President Morales between 2006 and 2009.

In addition to the forest rights that are granted to concessionaires, forested state lands are also coveted by *campesinos* and indigenous people. This has caused a cycle of disputes between timber firms and the government, which would appear to be the preface to the approval of a new forest law that will benefit indigenous peoples. Timber companies currently operate on 3 million hectares of land, or approximately 11 per cent of productive forests. These companies seek to establish at least 15 million new hectares of land for harvest over the next 10 years.

Legal insecurity and mechanisms of land purchase and sale

The mechanisms of land purchase and sale to foreigners are of two basic forms. First, this occurs by intermediation or brokerage by persons or companies that facilitate sales between buyers and landowners who generally have not met the requirements of the Social and Economic Function of land (FES).³ These real estate agents supply land to foreign investors that visit Santa Cruz in order to acquire lands. The second form of land commercialisation is more sophisticated and is conducted directly by businessmen with their own capital, as well as through investments by banks. In this mechanism, Bolivian entrepreneurs that had previously been granted free lands by the state, or had purchased lands at very reduced prices from other Bolivians who had themselves received land grants, undertake some improvements and then sell these lands at prices three to four times the original purchase price. Fifteen years ago, buyers could purchase a hectare of land for 15–30 dollars and sell to foreigners for approximately 100 dollars. The Banco Santa Cruz business group initiated and was an important actor in the operation of the land market for foreign investors. This type of commercial transaction, understood as a market opportunity, allowed a number of local business interests to easily achieve large profits with little risk. There is little doubt that were it not for the intermediation and involvement of these business groups and their respective banks in the buying and selling of land, the arrival of Brazilian producers and now Argentinians would not have been as pronounced as it was over this period.

The greatest difference now is that the price paid by Argentinian citizens is much greater than that which Brazilians paid previously, as well as the fact that the current supply of land is of lesser quality. Because of this, investors now prefer to rent lands from Bolivian property owners that do not work the land themselves. Many Bolivian landowners are recognising that the rental rather than the sale of land is the more lucrative business. In addition to Brazilians and Argentinians, Columbian and Venezuelan investors have arrived recently in Santa Cruz through investments in agriculture and ranching, albeit on a lesser scale. However, there is little additional available information on these groups, located primarily in the provinces of Guarayos and Velasco.

The legal security of property rights for lands acquired by foreigners, including Brazilians, has been very precarious – similar to the situation of Bolivian sellers – despite the ongoing process of adjudication in the last 16 years (1996–2012). It is notable that the great majority of lands purchased by Brazilians more than a decade ago has not been adjudicated, meaning that they do not yet possess official title. The various reasons for this involve the fulfilment of Bolivian legislation, which requires all foreign purchasers of land to prove their permanent residence in Bolivia. This is a drawn-out bureaucratic process in which bank attorneys resolve these obstacles by establishing juridical companies formed by associations of Bolivian citizens that exist, in a large part, only on paper and give rise to the term “*palos blancos*”. Another route is the more expeditious mechanism of foreigners marrying Bolivian citizens in order to immediately acquire Bolivian nationality. However, even in the case of foreign landowners becoming naturalised Bolivian citizens, the National Institute of Agrarian Reform (INRA) remains the only organ of the Bolivian state

with the power to conduct the land adjudication process and to confer property titles (Hernáiz and Pacheco 2000).⁴

From 1996 to 2006, INRA subcontracted the legalisation process to private companies, a mechanism which, in many cases, allowed for legalisations on the basis of phony rights. Since 2006, the new land law, the Community Reorientation of Agrarian Reform Law 3545, ended the practice of subcontracting and the INRA itself now directly conducts the adjudication process. The adjudication of medium and large properties has not moved forward because the Bolivian state has been primarily focused on the titling of indigenous territories (TCOs) and also because the political opposition to the administration from 2006 to 2009 was centered in the eastern region, especially in Santa Cruz, and large producers opposed the new land law. In recent years (2010–2012), complaints have been raised that government authorities are collecting bribes in exchange for titles for businessmen in the eastern region.⁵

The leading regional associations of agricultural producers played an important role in this process, by engaging in a high level of confrontation with the new government administration that approved the new land law without their consent – the implementation of which the associations attempted to block by all possible means. The regional civic associations even prohibited the presence of INRA land adjudication officials in the Department of Santa Cruz. However, since the end of 2010 there has been a notable rapprochement between the agro-industrial business associations of the eastern region and the federal government, including the President himself, in an effort to re-establish economic and political relations. This can be understood as preparing the groundwork for the approval of a new land law that conforms to the new national constitution (CPE), recognises the rights of indigenous people and *campesino* communities, but also strengthens the legal security of agribusiness, ranchers and timber companies, eliminates the verification of the FES and facilitates commercial agriculture.

These are important factors, as there continue to be shortcomings in property rights institutions which limit the adjudication of rights and, by extension, the construction of a rural register with a classification of property owners by type of property (small, medium, large), land use (agricultural, ranching, mixed, forestry) and nationality. It is not a coincidence that this type of information does not exist, nor that 16 years since the beginning of the adjudication process there are still no results on the titling and registering of the most productive and valuable lands in Bolivia, the oilseed lands in Santa Cruz (CEDIB 2008).

Environmental impact

The government agency in charge of regulating and verifying the sustainable use of forests, the Regulatory Agency for the Social Control of Forests and Lands (ABT), confirms that the rapid pace of deforestation over recent years produced 300,000 hectares of deforested land and that Bolivia will be a desolate cemetery in 20 years if there are no limits placed on burning and illegal deforestation. From 1996 to 2009, the ABT calculates that 3.3 million hectares of forests have been illegally deforested, a fact which, in theory, should result in the reversion of these lands to the state.

Analysis of accumulated deforestation since 1990 in terms of both absolute quantities (deforested hectares) as well as relative quantities (deforested hectares by producer) shows that agro-industrial producers, especially of soybeans, are currently the greatest deforesters in the country, greater even than the share contributed by ranchers. This can be seen in Figure 2.

The whole point of the soybean production model is not to achieve regional, local or even municipal level development, but, rather, to obtain the greatest profit in the least possible time, seemingly regardless of whether this degrades the environment or even causes a progressive reduction in the productive capacity of soybean production. This type of logic is based on a

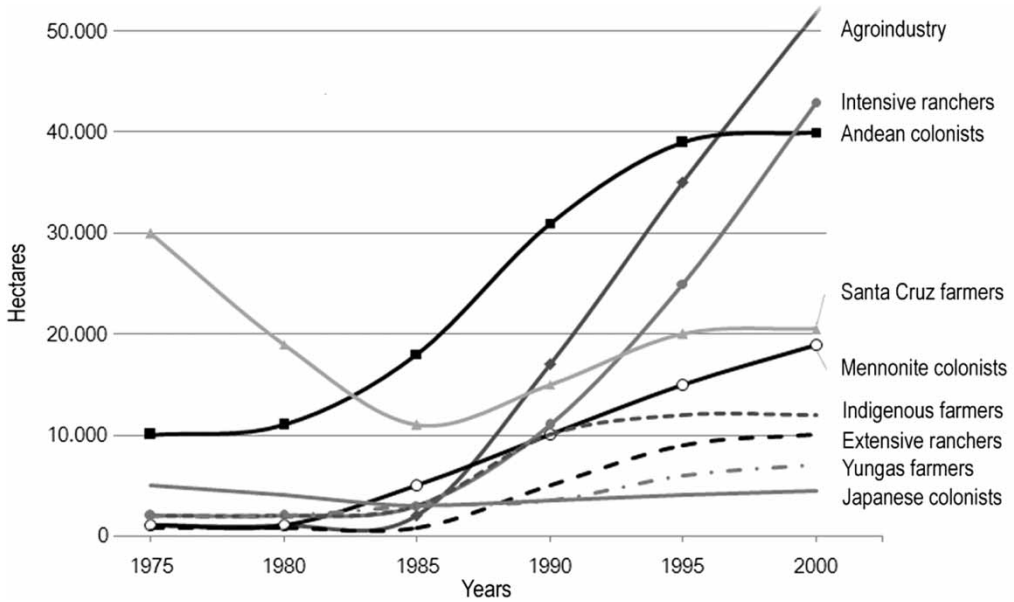


Figure 2. Primary agents of deforestation in Bolivia, 1975–2000. Source: Human Development Report, “La Otra Frontera” (PNUD 2008).

short-term vision in which land is mistakenly considered to be an infinite resource that is never exhausted and in which the possibility of frontier expansion will always exist. However, there is evidence of environmental degradation in the eastern lowlands to such an extreme that this has seemingly caused a significantly warmer and drier climate in the region. Over the last two decades, it is precisely this region that suffered the greatest ecological damage, including temperature increases, a reduction in precipitation, and patterns of land use change towards cattle pasture because of the impoverishment and low productivity of soils for purposes of agriculture. This process is captured by the observation that the (drier and hotter) Chaco is advancing into the Eastern region.

Change in land use over the last three decades is turning this region, characterised by forests, into a plantation system that destroys the remaining biodiversity, razes the lands, does not respect waterways, fills in wetlands, eliminates wildlife, exhausts soils and advances towards an eventual conversion into large-scale cattle pastures. In addition, plantations, farmhouses and surrounding indigenous and *campesino* communities are increasingly the victims of floods from land uses that ignore the practices of fallow, crop rotation and forest curtains as windbreaks, and which do not respect the ever-decreasing native forests on the banks of the Grande and Pirai rivers.

The ultimate phase of this cycle in the most extreme cases of forest conversion into agricultural and ranching lands is that of vast lifeless dustbowls. This is a terrible deal for the country, the planet and future generations. The real net loss in the soybean mono production model in Bolivia and Santa Cruz is the environment, with highly negative and irreversible effects in the destruction of nature, in particular native forests and biodiversity (PNUD 2008). During the decade from 2000 to 2010, Bolivia was one of the 10 countries in the world with the greatest net annual rates of deforestation, with this process only increasing at ever higher rates. Given that a large part of the lands titled by INRA are forests, the absence of environmental planning as well as the increasing contests over sustainable use of forests is a critical theme that could have perverse

effects on the conservation of forest resources as well as poverty reduction in the communities that depend on these forests (Pellegrini and Dasgupta 2009).

The expansion of soybean frontiers, forest concessions to logging companies and migrations of Quechua and Aymara *campesinos* from the highlands, as well as the titling of enormous expanses of land in favour of indigenous populations of the lowlands is provoking accelerated deforestation of large expanses of forests and increasing competition for water resources between commercial agriculture and indigenous regions in these locations. The sources of demand for water include human consumption, agricultural production and cattle ranching. Water in the province of Velasco in the Department of Santa Cruz is essentially being privatised by cattle ranches that dam brooks for the purposes of consumption by cattle. In addition, the phenomenon of climate change has also resulted in reductions and irregular patterns of rainfall. Many indigenous communities in the region state that the brooks and streams that are blocked upstream and no longer run except in very wet years are leaving downstream communities, ecosystems and producers without water. The expansion of the agricultural frontier in the Department of Santa Cruz provokes accelerating changes in the tenure and uses of land in the region. The surge of new soybean and ranching companies are negatively affecting the environment and the water supply in indigenous communities. In the province of Guarayos, even though lands are primarily directed towards forest activities, the expansion of soybean crops has also felled native forests. This region is also a potential area of soybean production linked to the demand for biofuels.

The transnational advance into Santa Cruz agriculture: Brazilian hegemony⁶

The transnational advance into Santa Cruz agriculture began its initial steps more than two decades ago, later developed into a powerful presence, and finally became a hegemony in which the best agricultural lands in Bolivia are in the hands of transnational capital and foreign citizens, particularly Brazilians.⁷ In a very distinct manner from the colonist settlements of Japanese immigrants at the start of the 1950s and the Mennonites years later, the Brazilian presence exhibits different dynamics that have unfolded over three stages.⁸

The first instances of Brazilian immigration in the 1980s had a limited impact, although this process already involved experimentation with soybeans in rented lands or in association with certain Bolivian producers, since Mennonites had gained experience and satisfactory results with the cultivation of this crop. Soon after, the second wave of Brazilian immigrants that bought lands in Santa Cruz from 1993 to approximately 1999 expanded as an outcome of public policies promoted by the Eastern Lowlands Project,⁹ which led to the preparation of soils, rural electrification, construction of transportation infrastructure and the increased supply of very inexpensive and fertile lands. However, only a few years after the beginning of this second wave of migration, there were three continuous years of adverse climatic conditions that caused many national investors to abandon the soybean business. Many Bolivian businessmen could not fulfil their bank loans and were forced to sell their lands at a very inexpensive price; a situation that was seized on by foreigners with a greater availability of capital. Some Brazilians returned to their own country and left Bolivia with unpaid debts that amounted to approximately US\$20 million. The successful Brazilians that remained in Santa Cruz and those that arrived shortly thereafter gradually acquired the best lands until they controlled the majority of the area dedicated to commercial soybean production. Since the year 2005, there is a new wave – a third stage of Brazilian investors – but this time in search of lands for the purposes of ranching.¹⁰

It is clear that soybean cultivation in Bolivia would not have developed to current levels without the presence of Brazilian and other foreign investors, who bought and rented lands in

Santa Cruz and brought capital, knowledge and technology to the region. In Bolivia, foreigners achieved a profit margin that was significantly greater than that in Brazil or in other countries of origin because of the low price of land, the low price and easy convertibility of the dollar as the currency of transaction, the extremely low rate of taxation of land and exports, the opportunities of captive preferential markets in the Andean Community (CAN), and the cordial reception by the middle class circles of Santa Cruz, not only at the level of business but also in social and fraternal clubs.

These Brazilian immigrants – in a different manner from the Japanese and the Mennonites – fully integrated into the local elite, not only in the economic or productive sphere but also in certain realms of regional politics, albeit in a very cautious and discrete manner. In fact, two of the leading Brazilian soybean producers serve on the board of the National Association of Soybean Producers (ANAPO), even though this required changes to organisational statutes. Today in Santa Cruz, there is a consolidated agro-industrial Brazilian elite with a significant level of very subtle political power. It should be noted that until now this issue has not been an object of study (Marques Gimenez 2010). Brazilian participation in the agribusiness sector in Bolivia is clearly distinct from that of other foreigners, such as the small producers from Japan during the 1950s that are now culturally and socially integrated into the region, and Mennonites from the 1960s that are completely isolated in colonies and enclaves and whose production methods are highly predatory towards the environment.

In order to possess lands and obtain bank loans in Bolivia, foreigners must become naturalised Bolivian citizens or marry Bolivians; something that many have done in order to access local social circles. However, the majority of successful Brazilians in Bolivia have not given up their lands and agribusiness in Brazil, which they continue to manage in a permanent back-and-forth between Santa Cruz and their lands that are located primarily in the Brazilian states of Mato Grosso and Mato Grosso do Sul. Brazilians in Bolivia over the last decades came to understand and become a very active part of land markets and always held those lands with the highest level of yield and production. At the beginning of the migration process, this occurred in the hotter and drier region to the east of the city of Santa Cruz, and later in the so-called “integrated” region to the north of the city with a wetter rain-fed climate that permits biannual cropping in both winter and summer seasons. Capital accumulation by Brazilian producers would allow them to consider expansion towards the ranching zones of Santa Cruz along the border of Brazil, the Department of Beni and eventually towards other neighbouring countries, in particular the Peruvian Amazon (Marques Gimenez 2010). The decisive importance that Brazilian producers have acquired is also compounded by the sharp increase of Argentinian production in Santa Cruz, with both groups hailing from the Mercosur region, but possibly with different and even contradictory interests (Pérez 2007; Medeiros Urioste 2008). It is not clear whether this foreign presence expresses the particular interests of isolated individuals or, rather, the logics of businesses that are already well established in Brazil and Argentina. Most likely, this represents a combination of both of these dynamics, as well as being part of an overflow of Brazilian and Argentinian producers who found more successful opportunities for expansion in Bolivia compared to their countries of origin in the context of rising Chinese demand for soybeans.

In the year 2007, the number of Brazilian citizens with land in Bolivia was not significant in comparison to the startling number of small and medium Brazilian producers in Paraguay. In Bolivia, it would appear that there are no more than 250 Brazilian commercial property owners, who possess on average 1,000 hectares of land each. The Mónica Norte business group possessed approximately 7,900 cultivated hectares of soybeans and 1,700 hectares of corn in 2005. The Argentinian firm El Tejar had 5,700 hectares of cultivated rental lands. Media reports from 2005 state that 75 businessmen, the majority of whom were foreigners,

held 250,000 hectares of land at an average of 3,330 hectares per business (Pérez 2007). The spokesperson for the Unisoya, a soybean producers’ association, declared that:

in the year 2005 the three largest producers of soybeans are foreigners who between themselves harvest 180 thousand tons of soybeans, which suggests (at an average of 3 tons per hectare) that each one of them possess at least 20 thousand hectares (Pérez 2007)

Pérez estimates that the number of large producers that cultivate more than 1,000 hectares does not exceed 300, the majority of which are Brazilians, with a powerful nucleus of no more than 100 producers, possessing properties between 3,500 and 8,000 hectares.

The statistical information offered by ANAPO (2011a, 2011b) for recent years does not allow for the analysis of production characteristics by type of producer (small, medium, large) classified by nationality (Bolivian, Brazilian, other foreigners). It appears that the goal of this omission is to prevent the precise identification of the ever-increasing foreign participation in commercial soybean cultivation, but also, in particular, their foreign properties that comprise vast expanses of land. It is also no mere coincidence that, since 2012, no official INRA data exist on the status of land adjudication and registration of large commercial units in the Department of Santa Cruz by size, type and nationality of the owner with accompanying information on cadastral and market prices. In general, data on this issue continue to be incomplete and compel the use of methods of approximation in order to venture calculated estimates.

The power of foreigners is expressed not only in landed property and soybean cultivation but also through important import businesses that offer inputs, machinery, agrochemicals, silos and warehouses, as well as through manufacturing industries that produce crop oils and other derivatives (Marques Gimenez 2010).

Figure 3 shows how, over the last 15 years, Brazilian investors have been progressively increasing their share of soybean lands to 40 per cent of the national total and at the expense of the relative shares of other groups of producers.

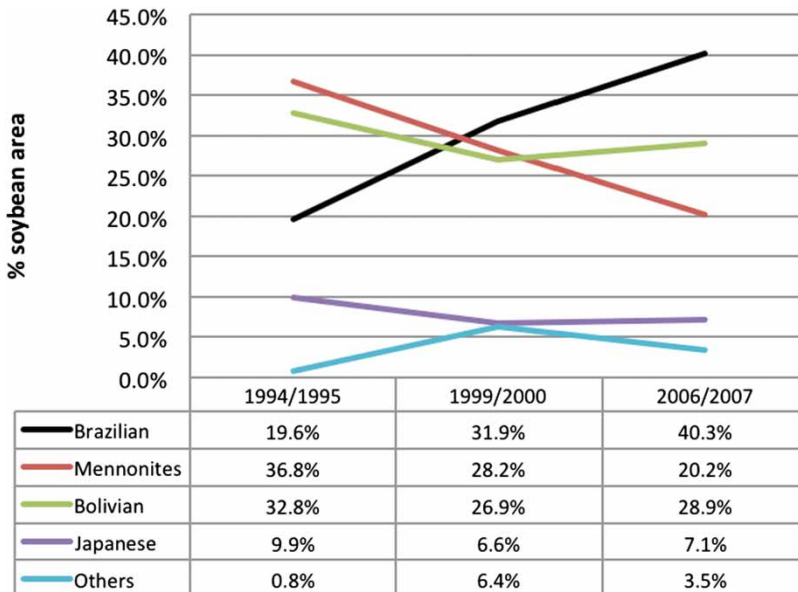


Figure 3. Area of soybean cultivation (%) by immigrant producer origin, in the years 1994/1995, 1999/2000 and 2006/2007.

Source: Adapted by author from ANAPO (2008).

Brazilians entered the market for Bolivian lands from a privileged position and almost without competition. Many Bolivian businessmen ended up selling their best lands because they could not obtain bank loans, either because their lands were already mortgaged and their loans were in default or because these lands were not properly titled and thus did not have legal security. By the 1990s, Brazil had already undertaken more than a decade of successful growth in the commercial soybean sector, Brazilian technicians and professionals had been educated and trained with the considerable support of the state research centres (EMBRAPA) and private Brazilian companies, and these businessmen were fully integrated into world markets and agribusiness commodities. In fact, it was some of these same technicians and professionals who were attracted by the low price of land and subsequently emigrated to Bolivia. This is the “team” that formed the Brazilian migration (Marques Gimenez 2010). Additionally, “Brazilians had the advantage of being foreigners” (Soruco, Quispe, and Medeiros 2008).

State subsidies and the “freezing” of the price of diesel for the last two decades were key to the process of agricultural frontier expansion in Santa Cruz. It is estimated that the average consumption of diesel per hectare for soybeans through the preparation of lands, planting and harvest is equivalent to approximately 40 litres. The government subsidy to diesel is half a dollar per litre, which means that each year soybean producers on a planted area of 1 million hectares, including Brazilians, receive a subsidy of approximately US\$20 million. If one considers summer and winter harvests, this sum would be even higher.

According to the insightful Brazilian researcher Heloise Marques Gimenez, the overwhelming Brazilian presence in Santa Cruz agriculture is not the result of a geopolitical strategy of expansion by the Brazilian state, but, rather, the outcome of spontaneous and individual migratory actions that were driven primarily by the low price of land at the beginning of the 1990s (very low prices in comparison to Brazil and thus accessible to small and medium Brazilian producers). However, Marques Gimenez concludes that this does not necessarily mean that these producers did not form a powerful local elite with international connections to their respective branches of production in Brazil. It is unlikely that there was any previous planning by the Brazilian state to promote migration and human settlement in Bolivia, but now that Brazilian nationals are established in Bolivia, the Brazilian state provides protection and support to these groups. Brazilian producers, who have organised themselves in groups, know that they are backed and protected by both the Brazilian and Bolivian governments, and something similar may also occur with Argentinians. However, this is not the case with Bolivian producers.

The fact that Evo Morales is at the head of the government does not signify a reduction or reversal of the process of “foreignisation” of land in Santa Cruz, although neither has there been a greater increase of this trend in recent years. What is notable is that up until 2012, the Bolivian state (INRA 2010a) had not made any attempt to identify and classify the property rights of land according to national origin. Another aspect of this issue that has not yet been researched is the relationship between the leap in production in the Santa Cruz agro-export sector led by Brazilian immigrants and the intensification of the autonomist political project of Santa Cruz in recent years. Nor has there been a study of the relationship between the legalisation of *neo-latifundismo* in the new constitution of Bolivia and the possible political involvement of the Brazilian foreign ministry in favour of large Brazilian landholders in Bolivia.¹¹ Statements by some Brazilian citizens settled in Santa Cruz indicate that they have never been treated as well as during the period of the administrations of Lula da Silva and Evo Morales (Mackey 2011). In any case, it would appear that Articles 315 and 398 of the new constitution were established through the express interest of foreign investors in land, agribusiness and the political power of this sector. The above discussion should be considered in the context of an active Brazilian diplomacy that holds an umbilical cord in the form of the gas pipeline, which, for more than a decade, joins the cities of Santa Cruz, Bolivia and São Paulo, Brazil (2,000 kilometres), and through which Bolivian exports of gas

constitute one of the primary sources of income for the National Treasury (the equivalent of which in Paraguay is the Itaipú dam). The Brazilian presence is also very relevant in terms of the financing and construction of highways through Bolivia that will link Brazil to the Pacific coast. Especially paradigmatic here is the case of the prolonged government conflict with indigenous groups in the Indigenous Territory of the Isiboro Sécure National Park (TIPNIS), through which the Bolivian Highways Administration (ABC) seeks to contract the Brazilian company OAS to construct a highway that links the planned Bolivian highway network in the departments of Beni and Cochabamba to the Brazilian state of Mato Grosso. Additionally, this indigenous territory contains petroleum exploration areas that have been assigned to Petrobras and Total.

The last five years have seen a new migratory phenomenon by Argentinian citizens for the purchase and rental of lands that are cheaper than those in their own country. The difference between Brazilian and Argentinian producers in Bolivia is that Brazilians were the initial drivers of land acquisition and the introduction of advanced technologies in oilseed cultivation, and have operated in association with other compatriots; in contrast, Argentinians are more recent arrivals, do not bring their own technologies and their actions are more isolated from their fellow citizens.

Land sales by foreigners during the five-year period 2005–2010 would appear to initially have been conducted with an eye towards future exports of agrofuels because of the expiration of preferential Andean Community tariffs that allow Bolivia access to captive markets for soybeans and soy derivatives in the Andean region. If the production of agrofuels were to occur, this would produce a vicious cycle in which Bolivia imports expensive diesel from Venezuela, subsidises the price of diesel at the rate of nearly half a dollar per litre (primarily for consumption by Santa Cruz agro-industry) and then produces soybean diesel and sugarcane ethanol for export. This would represent a business scheme that ultimately amounts to nothing: consumption of diesel imports that are subsidised by the Bolivian state in order to produce and export agrofuels at the expense of an ever greater area of native forest that is irreversibly felled. However, the explicit opposition of the Bolivian government to the production of agrofuels would appear to have stalled these plans. With the planted area of soybeans in Bolivia equivalent to approximately 1 million hectares – Brazilians planting 35–40 per cent of this area (and since land rental by Brazilians is limited) – it is possible to deduce that, in oilseed lands alone, Brazilians own approximately half a million hectares of the best agricultural lands, both category I (intensive agricultural use) and category II (extensive agricultural use), without counting those that are in fallow or rotation, nor those that are directed towards other crops or ranching, which usually comprise larger areas.

The perception of local actors

In an interview conducted by Heloisa Marques, one Brazilian stated that:

the first property that I bought in the year 1993, I paid 90 dollars per hectare – a gift from heaven. For the second property I paid 190 dollars per hectare, and for the third property I paid 850 dollars per hectare. Right now, my lands, about three thousand hectares, are worth at least two thousand dollars per hectare. This is how Brazilians achieved prosperity.

According to this same Brazilian citizen, “landholding by Brazilians is much greater than just the soybean areas, we also participate in ranching and forestry activities, including the prohibited zone of production by foreigners within 50 kilometres of the border, a restriction which is overcome by marrying Bolivians” (Marques Gimenez 2010).

A type of regional ethnic pact exists in the eastern region between agrarian producers of cattle, soybeans, sugarcane, cattle and forests – Bolivian by origin as well as recent naturalisation – as

well as with indigenous communities in the lowlands. In confrontations with the MAS government and Quechua and indigenous groups that were exacerbated in recent years (2006–2009) by local media (TV), the common “enemy” is Andean indigenous and *campesino* colonists that come from the highlands without permission or authorisation. All types of social ills are attributed to these groups, from the production of coca, narco trafficking, forest cutting, indiscriminate burning and claiming of lands to centralising and authoritarian political tendencies, as well as the breaking of regional social customs. In this scenario, it is not surprising that foreign investors, Brazilian and Argentinian, continue to be allies of this regional cause up to the present day. Because of this – particularly so in the middle classes of Santa Cruz – the foreign presence is well regarded, coveted and sought so that there are people to whom they can sell their state-granted lands and secure more “viable” sources of capital, technology, employment, business, market knowledge, inputs and genetically-modified seeds. In Santa Cruz generally, there is no sense that foreigners such as Brazilians and Argentinians pose a problem, and even less so with the Japanese who have inhabited the region for half a century and the Mennonites that live in their isolated colonies. The real problem in the eastern region is seen to be access and control of natural resources by Bolivian immigrants of indigenous Quechua and Aymara origin, against whom there are daily forms of racism and discrimination.

It is exceptional that the current (2010–2012) leader of ANAPO is a successful Andean immigrant colonist. However, it is no coincidence that this change in leadership of one of the most important business associations in Bolivia, previously monopolised by white elites in the department, occurred during an administration that proclaims itself to be a popular indigenous regime, since this facilitates the recent negotiations between the national government and the producers of soybeans and other crops (corn, wheat, rice and especially sugarcane) as part of a “productive pact”.

Even though the contribution by small producers to the total volume of national soybean production is marginal, these producers form part of the agro-export model and organise in order to obtain better representation, negotiating power and to increase their profit margins. On the other hand, groups that do not participate in commercial soybeans – such as indigenous communities in surrounding territories, *campesinos* with little land that do not cultivate soybeans, some NGOs, conservation organisations and social movements – critique the agro-export model and the “foreignisation” of the soybean sector, because it leads to the concentration of land and environmental degradation. Nonetheless, beyond the declarations by some civil society representatives and government bureaucrats, there is no real popular movement against agribusiness or the effects of the “foreignisation” of land. Large and medium national soybean producers complain that the best lands are in the hands of Brazilians and, indirectly, Argentinians, but they forget that they themselves sold or rented lands to these groups.

The main Brazilian groups

Brazilian farmers generally act through organised groups, in particular to exchange technology and commercialise their product in order to negotiate better prices with buyers. The arrival of these farmers brought with them improved seed technology, direct planting and better pest control practices. They promoted technical assistance activities by Brazilian public institutions such as EMBRAPA and private institutions such as the Mato Grosso Foundation that are leaders in the research and promotion of improved agricultural production technologies in Brazil.

The Grupo Mónica, which was the first major soybean company to arrive in the region in 1992, when it bought two properties in the soybean region east of the city of Santa Cruz and one to the north, currently cultivates approximately 50,000 hectares of soybeans annually in these three properties. The company also cultivates approximately 25,000 hectares of land in

Brazil. Another group is the Gama group, comprised of the Sojima and Tierra Azul companies. This business group cultivates approximately 90,000 to 100,000 hectares of land in both the eastern and northern production zones. The UNISOYA group, composed of producers of diverse nationalities but with a majority of Brazilian farmers, has approximately 50,000 hectares in the northern zone. These three established groups of Brazilian producers cultivate approximately 200,000 hectares of land. Not all of these lands are the property of Brazilians, since a small portion are rented from national farmers at an average price of US\$80 per hectare for each planting season. In the northern zone, where the land and climate permit two plantings per year, the annual rent would be double this rental price. Some Argentinians invest through large firms that do not register their operations in Bolivia. Others have done so through individual title or familial groups. The primary Argentinian groups have approximately 100,000 hectares of land holdings.

The new wave of Brazilians who are buying lands for ranching consist of existing agricultural producers (those who earlier achieved success in soybean cultivation and are now expanding their businesses) as well as new ranching investors that began to enter Bolivia in the year 2000 and are taking possession of lands in three Santa Cruz border provinces: Germán Busch, Velasco and Ángel Sandoval. On the basis of data from interviews, observations and related unofficial sources, it can be estimated that there are approximately 700,000 hectares of land in the hands of Brazilian ranchers in these three provinces. With available lands for soybean cultivation having reached a limit, at least with existing soybean varieties, all available evidence indicates that the next field of expansion for Brazilian investment is in ranching, with the first steps already taken through the purchase of lands in border regions, as previously occurred with the soybean sector.

The next step, which has already begun, is the preparation of extensive cultivated pastures for cattle raising. In Velasco province, Brazilian investors are building a large refrigerated slaughterhouse, which, by the size and location, appears to be intended primarily for the export of beef to Brazil. Brazilian investors in the border provinces of Santa Cruz, as well as the province of Marbán in the Department of Beni, have purchased more than 700,000 hectares of land for the purposes of ranching.

Conclusions

Based on the data collected primarily from interviews, in addition to unofficial data sources, triangulation from secondary works, newspaper reports, and field work, we conclude that over the last two decades an ongoing foreign monopolisation of the best agricultural lands in Bolivia is occurring, especially by Brazilian and Argentinians who have also recently begun a cycle of land purchases for the purpose of the raising and fattening of cattle. This transnational capital possesses and rents more than 1 million hectares of the best agricultural and ranching lands in Bolivia. These can be considered as (trans)Latina companies (TLCs; Borrás and Franco 2010; Borrás et al. 2012). This phenomenon of monopolisation and concentration is the result of a combination of Bolivian state policies and market conditions and is not a specific effect of the spike in food prices and the international financial crisis of 2007–2008 (Urioste 2003; Urioste and Kay 2005; Ormachea 2007). There are no official statistics on this phenomenon of land concentration and “foreignisation”, but it is likely that the productive associations (CAO, ANAPO, FEGAS-CRUZ, FEGABENI, CONFEGRO) possess the data in question because these groups, on the argument that municipalities do not possess the capacity, collect the paltry and self-reported land taxes and maintain their own (essentially secret) databases. There is no available information on lands held by foreigners as private property or concessions for the purpose of forestry.

Bolivia began a process of regularisation of property rights and the construction of a rural land register in 1996 (with Law 1715 of the National Institute of Agrarian Reform, known as the INRA law), but this process has still not been concluded and the final and most important portion of this process, the register, is still in the initial stages of development, with the danger that the records are already out of date. Over the course of this long period, particular emphasis has been placed on the process of adjudication of lands, which consists of a technical and legal review of all of the property titles granted by the Bolivian state through the National Council of Agrarian Reform (CNRA) and the National Institute of Colonization (INC) over almost half a century (1953–1996), as well as the titling of indigenous territories in state lands. There is no easily-accessible official and up-to-date source of information on the adjudication of lands in commercial units, much less a register, that would permit precise understanding of the evolution of sales and purchases of lands classified by type, size, nationality and year. Furthermore, the recent registry documents on land transfers by the Cadastral Department of INRA do not identify property owners by nationality. With 27 years having passed since the last census, in 2013 Bolivia will conduct a national agricultural census which, among other things, should permit access to current data on property rights of land.

Despite the ever greater quantity of land in the hands of foreigners in Bolivia, the leading agents of land concentration continue to be national cattle producers. In addition to working part of the land themselves, national cattle producers sell or rent lands to the highest bidder for mixed uses, which signifies the rapid conversion of lands to agricultural uses. Over the last 15 years, the primary buyers of land are Brazilian investors that have driven the spike in frontier expansion in the Department of Santa Cruz from barely 143,000 sown hectares of soybeans and other oilseeds in 1990 up to nearly 1 million hectares in 2012. However, according to the Land Use Plan (PLUS) of the Department of Santa Cruz, there are no remaining lands that are appropriate for intensive agriculture, and the soybean frontier should have reached the limit of further expansion. Nonetheless, it is likely that the upcoming inauguration of the “transoceanic export corridor” from the city of Santa Cruz to the border town of Puerto Suárez, which will link Bolivia and Brazil by highway for the first time, will place pressure on the margins and newly-integrated regions along this nearly 600-kilometre-long road and will continue soybean and ranching expansion even where soils are not appropriate. It is also likely that soybean and ranching frontiers led by foreigners will expand towards certain regions of Beni to the northeast of Santa Cruz. In this process Bolivia will become a producer country of flex crops that integrate “agrofood, feed, and fuel complexes” (Borras et al. 2012).

It is noteworthy that this amassing of Bolivian lands through sales and the recent modality of rental to Brazilians, Argentinians and, to a lesser degree, Colombians has not been slowed by the persistent legal insecurity that derives from not possessing property titles that have been adjudicated by INRA. It is astounding that in the middle of 2012 the vast majority of Bolivian lands oriented to soybean production and in the hands of national and foreign citizens has not concluded this adjudication process and do not have official property titles, even though many of these lands have a Land Order Plan (POP). This should only have been granted to holders of properly adjudicated titles but, in practice, this has not occurred since landholders have been granted the POP through the presentation of other documents (such as *autos de vista*, *sentencias ejecutoriadas*), in order to demonstrate their peaceable possession of the land. Agribusiness profits are so lucrative that this justifies the risk of eventually losing lands through reversion to the state. Because of this situation, the active role of the Brazilian foreign ministry is of considerable consequence for Brazilian investors that seek to protect their investments and rights in Bolivia.

It should also be pointed out that, according to some interviewees, the great majority of the profits obtained by foreign citizens in the commercial soybean sector and the expanding ranching sector are regularly repatriated to their country of origin, with a smaller portion being reinvested in Bolivia in order to maintain fields, roads, industrial facilities, equipment and warehouses. It is also

evident that many of the children of successful Brazilians that migrated to Bolivia at the beginning of the 1990s and who were born and educated in Bolivian schools and universities will perhaps stay permanently in the country as Bolivian citizens descended from Brazilians.

The factors that discourage a greater foreign monopolisation of land in Bolivia include the following. First, collective property titles granted by the state for indigenous peoples as well as legislation that confers the exclusive rights of these indigenous groups and *campesino* communities to utilise all renewable natural resources within their territories, and which also promote the future system of local indigenous self governance. Second, indigenous peoples that are organised and mobilised in defence of their territories, the exclusive utilisation of natural resources, forms of indigenous self governance and the growing consciousness of the irreversible ecological deterioration produced by deforestation of large eastern and Amazon areas that are rich in biodiversity. Third, the long distance (2,000 kilometres) between zones of potential agricultural production and export ports to both oceans, which is complicated by both the necessity of land transport as well as the poor condition of highways to ports in Perú or Chile, which significantly raises transport costs and the final price of these products. And fourth, the low competitiveness of Bolivia production in comparison to neighbouring countries because of low local agricultural yields. In Bolivia, the average yield of soybeans hardly reaches two tons per hectare, compared with averages of up to three tons per hectare or more in neighbouring countries.

The factors that encourage the monopolisation of lands in Bolivia include the following. First, the existence of low prices of land, an abundance of unworked land and possibilities for the expansion of the soybean and ranching frontiers in the absence of effective environmental controls by weak Bolivian public institutions. Second, the lack of taxes on land and agro-industrial export earnings. Third, the ongoing foreign participation in the extraction of natural resources and migrations that facilitate the sale and rental of lands for agricultural production, which benefits the Bolivian state and business sectors. Fourth, the continuing subsidy of the price of diesel – a major agro-industrial input – that is imported from Venezuela and Argentina at the rate of 400,000 barrels per month, half of which is consumed by agro-industry at a value of approximately US\$150 million per year. Fifth, the promotion and support of foreign colonisation settlements, especially by Japan at the beginning of the 1950s and Brazil currently. Sixth, the successful private investment in agribusiness commodities and flex crops that accompanied the recent flow of foreign migration, most notably from Brazil. Seventh, the Brazilian leadership in the production of oilseeds across Latin America, and the accompanying economic, social, cultural and political effects, as well as the relatively easy access that this provides to local power and influence in regional and national public policies. Eighth, the existence of opaque land markets that inhibit regulation by the state. Last but not least, the shortage of lands for agriculture and ranching in neighbouring countries, especially Brazil and Argentina, as well as very high prices of land in these countries in comparison to Bolivia.

In recent years, and despite the political discourse of the government against the *latifundio*, foreign direct investment in land purchases continues to be protected by the Bolivian state. In fact, from 2006 until 2012, no property owned by Brazilian or Argentinian citizens has been invaded by landless *campesinos*. All agrarian regulations, including the Law of Community Reorientation of Agrarian Reform of 2006 and the new Constitution of 2009, permit the free sale and purchase of lands between private parties, irrespective of their nationality, as long as the foreign buyer resides in the country, a requirement which is easily resolved by marrying Bolivian citizens.

The reversion of unproductive lands of the *latifundio* in order to prevent the concentration of land in the hands of the few has not been applied as a public policy in a general manner on the basis of technical-legal criteria but, rather, used selectively as a political tool against certain Bolivian opposition leaders considered to be separatists. With the very limited exception of certain conservative landowning political activists, the major *latifundios* have not been affected by

reversion or expropriation by the state. The new constitution also promotes the formation of agricultural businesses without limit to size.

Attempts by the National Association of Oilseed Producers (ANAPO) and the Bolivian Institute of Foreign Trade (IBCE 2008) to secure the approval of regulations that would facilitate the consumption of agrofuels in Bolivia, and their production through soybean oil and sugarcane alcohols in particular, have been met with official rejection by the government. Private agrofuel ventures that existed in the early stages of development have been stalled or abandoned.

INRA land documents do not record the nationality of the buyer or seller but do note their identification card. However, the category of nationals and foreigners is not entered into the cadastral database, a fact that reveals the marginal importance that the Bolivian state – including the Morales government (2005–2014) – gives to the issue of “foreignisation” of landed property.

Certain interviewees in the study by Zoomers (2001) estimate that during the decade of 1990–2000 commercial banks held 800,000 hectares of mortgaged and defaulted lands, many of which were sold and drove the development of land markets through real estate companies. The majority of these lands have been acquired by foreign citizens, many of whom later became naturalised citizens. The general view in the Department of Santa Cruz is that the participation of foreign citizens in agribusiness – particularly in soybean commodity chains – is highly favorable to regional and national development. In particular, Brazilian investors (and, more recently, Argentinians) are held in high social esteem and respected for their national origin because they have brought capital, knowledge, technology, commercial contacts, entrepreneurial vision and modernisation. Investments by Brazilian citizens in oilseeds cultivation have clearly been among the most important in the Department of Santa Cruz and there is no doubt that the trend in the near future is to do the same with ranching lands. However, the model of participation by Brazilian citizens in Bolivia differs from that seen in Paraguay, primarily because the Bolivian case concerns very few investors with a large amount of land and capital. The thousands of small and medium Brazilian and Argentinian producers that are found in Paraguay are not part of the Brazilian presence in Bolivia.

There is a general perception among medium and large producers in the Department of Santa Cruz that INRA is politicised and does not guarantee neutrality and objectivity in their adjudication of landed property. This reveals the grave shortcoming of the adjudication process, which, despite significant expenditures in terms of time and resources, has not gained the confidence of a large number of farmers and landowners. In general, legal security is the leading point of contention by producers towards the state, followed by lobbying for greater incentives, roads, credit and technology in order to expand the cultivation of oilseeds and other agricultural activities. Regional agricultural and ranching businesses argue that the uncertainty created by the recent land law, the 2006 Community Reorientation of Agrarian Reform, is a harmful regulatory change against the productive sector that paralyses investment projects and – they argue – will lead to reduced agricultural growth rates in the future if no adjustments are made to this law through public policies. Both national and foreign agricultural producers, but especially those that are linked to oilseeds and sugarcane, are concerned that “political problems” prevent them from taking advantage of the particularly favorable international conjuncture of elevated demand and high prices for soy, related derivatives and, in particular, agrofuels.

INRA and other government authorities confirm that the agrarian property structure changed during the period 2005–2009 as a result of the prioritisation of grants (some pending) of more than 22 million hectares of territory to indigenous peoples (INRA 2010b). This is clearly true, but what is not stated is that prior to being titled to indigenous peoples the great majority of these lands were drawn from state lands, many of which overlap with parks, forest reserves and conservation areas. Some 3.9 million hectares have been redistributed from reductions in lands of large proprietors who were unable to prove the full extent of their claims. In Bolivia,

it was previously very common for many property rights claimants to have obtained titles from previous governments – both authoritarian and democratic – but never recognised nor exercised real possession of these lands. The fact that this practice has ended is a considerable accomplishment. According to INRA authorities, at the end of adjudication in 2013, medium and large companies will have obtained the validation of approximately 20 million hectares of land; a fact which offsets the assertions of change in the agrarian property structure.

Biographical note

Miguel Urioste is a senior researcher at Fundación Tierra and was its former director. Based in La Paz, Fundación Tierra is an NGO engaged in research on agrarian issues and development.

Notes

1. Original Spanish text of this article was translated by Lee Mackey.
2. Bolivia has the sixth largest area of tropical forests of any country in the world (PNUD 2008).
3. In Bolivia the concept of a Social and Economic Function (FES) of land refers to the classical meaning of the productive use of land, which implies the deforestation and cultivation of land for purposes of agriculture. This is distinct from other countries, such as Brazil, where the concept incorporates the ecological functions of land and the dignity of rural workers. This expanded concept is captured by the term “socio-environmental function” of land (Ankersen and Ruppert 2006).
4. The Autonomy Statute of the Department of Santa Cruz, approved through a departmental referendum in 2008, granted all powers of administration and titling of lands to the department’s government. This statute will have to comply with the new national constitution that reserves this power exclusively for the national government.
5. The presidential report of ANAPO in 2009 states that legal insecurity of lands is the factor that most negatively impacts the sector and thus is a priority that producers have placed on the agenda with the government. This association has been able to establish a permanent working group on the land question, comprising the Vice Ministry of Lands, INRA, CONFEAGRO, CAO and ANAPO, in order to correct the legal regulations that cause juridical insecurity. They reached a consensus on the regulation by INRA of slave and forced labour relations with the promulgation of Decree DS 0388. Coordination with the Vice Ministry of Lands has also begun a process to speed up the land titling process for medium and large properties of ANAPO members, although these steps have not yet become public knowledge. At the beginning of 2012, agro-industry in Santa Cruz gained the commitment of the government to change regulations and broaden the period for verification of the FES from two to five years.
6. This section is based on two primary sources of information. The first source is interviews conducted in August of 2010 directly with producers, leaders of institutions and other individuals from the department of Santa Cruz. The second is interviews conducted by the Brazilian citizen Heloisa Marques Gimenez in 2009, as part of the research for her MA thesis at the University of São Paulo, the use of which have been authorised by the author. This thesis and the interviews conducted as part of this study are published online on the website of this university (Marques Gimenez 2010).
7. In 2004, a comment to a group of journalists by the then director of INRA, Alcides Vadillo, that it was “a shame that the best lands in Bolivia are in the hands of Brazilian citizens”, provoked concern from these leading foreign investors as well as a request for the director to meet with them in the city of Santa Cruz. In this meeting they asked the government for clear and lasting rules in order to stimulate greater foreign investment. Months later, this director of INRA was let go from his post. He now holds the position of Director of Fundación Tierra in Santa Cruz.
8. The Eastern Lowlands Project was promoted and financed by the World Bank and the KfW of Germany through a loan agreement (211-Bo) for US\$43 million. This was signed on 7 May 1990 and had the objectives of: increasing agricultural production oriented primarily towards the export of soybeans and related derivatives; sustainable management of natural resources; and the support of territorial access for indigenous peoples. The project was closed seven years later on 31 December 2007. The final report establishes that the project was highly successful and surpassed projected targets.
9. In 1990, Mario Arrieta (1990) perceived that the capitalist modernisation of Santa Cruz would imitate the agro-export model of Brazil. At a later date, Miguel Urioste (2001) argued that the profitability of the soybean agribusiness model was based on the low price of land and, given the easy

- access offered to foreigners (especially Brazilians) with almost no environmental regulation, projected the soon-to-come loss of soil fertility. In his work of 2007, Mamerto Pérez correctly identified this trend of foreign dominance, especially Brazilian and later Argentinian, of land for agricultural use in Santa Cruz. Gustavo Medeiros Urioste (2008) deepened the economic analysis of the vertiginous growth of soybean cultivation and the participation of Brazilians in this process.
10. The Bolivian state does not know the number or nationality of foreigners who possess or rent lands in Bolivia nor the types of activities on these lands. However, the object of interest here is not so much the “foreign” character of land as much as the agribusiness model that these (trans)Latina companies transplant to Bolivia in the context of globalisation.
 11. *Latifundia* are pieces of property covering very large land areas. They were developed in colonial times, allowing forced labour recruitment and land grants for military services.

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