

• COUNTRY INFORMATION FACT SHEET • **BOLIVIA**



GENERAL COUNTRY DATA



Surface Area: 1.098.581 km²



Population: 11,306,314 inhabitants



Life Expectancy: 70.94 years (2017)



Economically Active Population (EAP): 5.838.630; 89,1% male and 63% female (World Bank, 2020)



Gross Domestic Product (GDP) 2018: US\$ 54.000 million



Poverty: In 2019 it dropped to 28%, but after the pandemic and the coup it rose to almost 60% (CEDLA, 2020)

Brief Overview of the Socioeconomic Situation

In 2018, the **GDP** was USD **54,000** million, the result of a **4%** average growth per year as of 2012 (*INE*), leading to a per capita income to about USD **4,800.00** at that time. However, the economic downturn in 2020 is estimated at **7.9%** and the drop in **GDP** per capita reaches USD **3,320.00**. In 2017, the division of the **GDP** per sector was **13.8%** in agriculture, **37.8%** in industry and **48.2%** in the service sector (*INE*). Despite accounting for sustainable growth, the initial **GDP** base year was very low and, hence, Bolivia still ranks number **122** in the world in terms of **GDP** per capita according to data of the International Monetary Fund (*IMF*).

In Bolivia, the **EAP** is made up of **5,838,630** adults of **15** to **64** years of age, equal to **50.5%** of the total population. The labor participation rate is **70.7%**, **89.1%** male and **63%** female (World Bank, 2020). The distribution per sector of those employed is **29.4%** in agriculture, **22%** in industry and **48.6%** in services (*INE*, 2018). There are nine **“export processing zones” (EPZs)**, of which six are in operation and employ about **48,000** workers.

Traditionally the unemployment rate in Bolivia is low, particularly compared to neighboring countries, standing at **4.2%** (*INE*, 2019), but during the pandemic it rose

to **8%** (IMF, 2020). Underemployment is high, with **76%** of workers working informally (almost 8 out of every 10 workers) compared to the **50%** average in Latin America. However, the informal economy contributes **65%** of **GDP**. Poverty had dropped to **28%** in 2019, but after the pandemic and the coup it rose again to almost **60%** (CEDLA, 2020) The 2018 Gini coefficient was **0.422** (World Bank, 2019).

According to Bolivian legislation, the minimum age to work is 14 years, but child labor affects **28%** of Bolivian children who work at least one hour a week, and affects **65%** of the total in agriculture.

Main Violations of Workers' Rights

The pandemic spread in Bolivia in a context of violations of the population's rights by the de facto government. As of the coup d'état in November 2019, the government of Jeanine Áñez repressed the population with acts of violence and racist criminalization of **MAS** supporters (Movement to Socialism). In this context, the de facto government's response to the pandemic was not only insufficient to contain the spread and guarantee the health of the Bolivian population, but used the pandemic as an excuse to increase the repression of social protests, resulting in at least 20 deaths and 10-year prison sentences for those who disclosed information on the pandemic that the de facto authorities considered false.

In October, union leader Orlando Gutiérrez died after being attacked along with his family. Gutiérrez was a leader of the Federación Sindical de Trabajadores Mineros de Bolivia (**FSTB**) and played a lead role in the resistance to the de facto government. The **FSTB** attributes his murder to fascist right-wing groups.

Regressive government measures for the working class.

During the period after the outbreak of the pandemic, the de facto government took the following measures, which the working class considers regressive:

- Reduction of work hours to five hours a day with wage reduction and contract suspension. Bolivian law privileges job stability and prohibits wage reductions, and this was not legally regulated during the pandemic, with companies applying de facto reductions.
- Suspension of labor procedural activities, both administrative and jurisdictional.
- Supreme Decree No. 4218 dated April 14, 2020 recognizes temporary and permanent teleworking. The decree was enacted without the participation of trade union organizations and without recognizing the needs of workers who perform this type of work.

There were some beneficial measures for the working class

- Single payment of a family bonus of **B\$ 500** per child enrolled in school from kindergarten to high school.
- Payment of a basic food basket (**B\$ 400**) to the elderly, mothers and people with disabilities.
- Free utilities such as electricity and water for up to **B\$ 120**.
- Deferral of credit payment to the financial system, mainly for companies.
- Suspension of tax payments and social coverage.

However, public spending for the benefit of companies accounted for about **84%** of the cost of these measures, while spending for support to workers was **16%**.

Conflicts with Transnational Corporations.

The analysis of who gained with the 2019 coup d'état points to the extractive economic sectors, fundamentally associated with mining and, in particular, lithium extraction. Tesla owner billionaire businessman Elon Musk, who has also ventured into outer space, emphasized this hypothesis when, in July 2020, he tweeted that they will use coups against whoever they want. Lithium is a highly prized metal for the production of Tesla vehicles, and Bolivia has the largest reserves of this metal.¹

Significant Issues of the Situation

Immediate impacts on the population.

The initial response to the pandemic of the coup government of Jeanine Áñez, that assumed the de facto government in October 2019, was one of denial, slowness and ineptitude. The dismantling of the social protection system and the inability of the health, forensic and funeral system to provide the proper measures of care and protection to the population are evident. The lack of protection of employment, wages and production are also evident. The de facto president even offered a government helicopter to bless the cities and recommended fasting and prayers to combat the pandemic during Holy Week (**BBC, 07/2020**). The transmission rate in Bolivia has been one of the highest in the world, with **60** infected per **100,000** inhabitants. To October 2020 there were about **139,000** infected and **8,292** dead (**WHO, 2020**).

Trade Union Proposals and Initiatives

- The main proposal of the Central Obrera Boliviana (**COB**) was social distancing and to stay at home.
- Deferral of the payment of the foreign debt of USD **822** million.
- The union of health workers organized a hunger strike of **10** workers to protest the death of some **600** frontline health workers and to demand the federal health budget to be increased from **6.3%** to **10%** for investment in ventilators and biosafety equipment.
- However, the most debated and most mobilizing issue during the pandemic were the new presidential and parliamentary elections. In August 2020, the **COB** and allies held a general strike when the de facto government postponed the date of the elections for the third time using the pandemic as the excuse, resulting in the elections held on October 18, with a landslide victory for the **MAS**.

¹ <https://www.pagina12.com.ar/280818-elon-musk-reivindico-el-golpe-en-bolivia-y-eva-morales-lo-cr>



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