Land Appropriation on the Frontier
Changes in and Struggles for Access
to Land in Bolivia

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List of Acronyms

ABD  Accumulation by Dispossession
ADM  Archer Daniels Midland Company
AEMP  Autoridad de Fiscalización y Control Social de Empresas—Authority Audit and Social Control of Companies
ANAPO  Asociación Nacional de Productores de Oleaginosas—National Association of Oilseed Producers
BRICS  Brazil, Russia, India, China and South Africa
CAN  Comunidad Andina de Naciones—Andean Community of Nations
CAO  Confederación Agropecuaria del Oriente—East Agricultural Confederation
CBF  Corporation Boliviana de Fomento—Bolivian Development Corporation
CNRA  Consejo Nacional de Reforma Agraria—National Council on Agrarian Reform
CONFEAGRO  Confederación Agropecuaria Nacional—National Agricultural Confederation
CPE  Constitución Política del Estado—Political Constitution of the State
FAO  Food and Agriculture Organization
FINO  Industria de Aceites S.A.—Company of Oilseeds
GAPSC  Gobierno Autónomo Departamental de Santa Cruz—Regional Autonomy Government of Santa Cruz
GMO  Genetically Modified Organisms
GPS  Global Positioning System
IDT  Instituto Departamental de Tierras—Regional Institute of Land
INC  Instituto Nacional de Colonización—National Institute of Colonization
INE  Instituto Nacional de Estadística—National Institute of Statistics
INRA  Instituto Nacional de Reforma Agraria—National Institute of Agrarian Reform
MNR  Movimiento Nacional Revolucionario—National Revolutionary Movement
PCR  Pacific Credit Rating
SAO S.A.  La Sociedad Aceitera del Oriente S.A.—Oilseeds Company of the East
TCP  Tratado de Comercio de los Pueblos—People’s Trade Agreement
TIERRA  Taller de Investigaciones, Estudios Rurales y Reforma Agraria—Research Center for Rural and Agrarian Reform Studies
USA  United States of America
WB  World Bank
Abstract

The aim of this research paper is to explore the political economy of contemporary land appropriation on the frontier context where the Bolivian state has no convincing authority and its role is systematically challenged by regional elites. By engaging with the literature on contemporary forms of dispossession, research questions revolve around appropriation of public land for production of flex crops and commodities, the role of the state within these dynamics and in what way landless and poor peasants are affected. The study explores the expansion of agriculture lands suitable for oilseeds production (mainly soya) in Bolivian lowland—Santa Cruz, stressing its significance in the national context. The paper argues that although internal pre-existing land disputes played an important role, the rise of land commodification responds to processes of capital accumulation and global crisis. It also provides an account of political struggles, the role of the state to carry out land distribution and its dilemmas. Finally, it highlights the denial of land and exclusion of landless and poor people as a key condition of capitalist farming where transnational capital is strongly involved.

Relevance to Development Studies

The question of transnational capital involved in land control and commercial agriculture for export is one of the highly relevant processes under way for contemporary agrarian studies and rural development policies in the South. Land appropriation is one of many situations within practices of large-scale farming, land grabbing and land-use change which occurs at the expense of forested areas in various region of South America.

Keywords

Land Appropriation, Dispossession, Land Grabbing, Flex Crops, Frontier, Bolivia
Introduction

1. Disputed Lands on the Frontier

Today, the Santa Cruz region is a fast-growing economy in Bolivia and, perhaps partly for this reason, it has at the same time become a ‘headache’ for the Bolivian state and central government. In December 2006, the Comité Cívico Pro Santa Cruz (Civic Committee of Santa Cruz) and regional authorities led the Cabildo del Millón, a public concentration of thousands of people¹ to challenge the Constituent Assembly’s decisions, which had been working vigorously on drafting a new Political Constitution. Waving green flags, raising their hands in agreement to say “Yes, civil disobedience!” the great multitude supported such a proposition to reject the fundamental law that establishes the character of the Bolivian state, organization of the government, and distribution of power, among others. Rubén Costas, the highest political authority of Santa Cruz, exclaimed, “we are not oppressors, we are not oligarchs, we are not latifundistas (big landlords), we do not pretend to divide the country, we do not want to be apart from our homeland, we do not want to take for us the huge natural wealth with which God and the nature have blessed this land.” To conclude his speech, Costas asked the Cabildo whether they agree for adoption and implementation of a ‘Regional Autonomous Regime’ which “does not divide the country, but only the unique and centralized national power” (GAPSC n/d: 4). Nobody showed any resistance.

In 2007, supported by this show of strength, the regional government proclaimed itself to be autonomous by adopting the Autonomy Statute of Santa Cruz. It is a key document to understand underlying causes of these political struggles and the degree of interest on control of the land. First, the Statute proclaims that the regional government is responsible for property rights, land titling processes, redistribution and regulations of land use. Second, this autonomy regime establishes the creation of an Instituto Departamental de Tierras (IDT)—Regional Institute of Land, as the entity responsible for land titling, implementation of land tenure policies and distribution of public land (Gaceta Oficial de Santa Cruz 2008: 15). Put another way, Santa Cruz’s autonomy not only captures the whole legal attributions and authority of the Bolivian state but, perhaps more importantly, it also becomes owner of the vast ‘public lands’. Thus, recent struggles over land have been explicitly exposed by powerful landowners of the Bolivian lowland whose dream is to be a self-determined nation (La Nación Camba), imagined by themselves as successful, modern, productive and integrated in to the world, meanwhile, the ‘other’ Bolivia (highland region) is considered as an undeveloped, unproductive region and an unwel-

¹ The name of Cabildo del Millón (Meeting of a million) was the targeted objective promoted during previous days. The next day after the event, a newspaper (El Deber) published an estimate number of participants based on the area occupied by them: around 800 thousand people. Later, another study concluded that there were no more than 600 thousand participants (Peñaranda and Herrera 2008).
comed society (Los collas) (Plata 2008, Assies 2006). Even though the Autonomy Statute has later been implemented to a certain extent and recognized partially by the Political Constitution (2009), fundamental differences and questions remain as part of contemporary agrarian struggles to control agricultural land in Bolivia.

The question of why Santa Cruz, in particular those landed elites, has gone so far to embrace a radical position is unavoidably linked to the emergence of a lucrative economy based on agricultural expansion over tropical and forested areas next to the Amazon areas. During the last two decades, this economy, producing mainly soya, has risen in response to the global market demand for ‘flex crops and commodities’ that is, according Borras et al. (2013: 162), those crops which have “multiple and flexible uses—across food, feed, and fuel complexes and industrial commodities”. Indeed, the Bolivian soya is exported as soybean meal which is a cheap source for feeding purposes (beef cattle, poultry and pigs) while crude soybean oil is also produced for export as raw material for many industrial processes (AEMP 2012). The main resource, land, is in fact controlled and commodified by a small group of landed elites regardless of its legal classification as state-owned or public land. In recent years (1990-2010), the soybean production in Santa Cruz has increased more than eight times, from 232,743 to 1,917,150 tonnes and the harvested area has grown more than six times, from 143,372 to 922,115 hectares (FAO 2013). This expansion of soya farming has spread very quickly and today represents 66 per cent of total harvested areas in Bolivia (Urioste 2011). The World Bank (WB), one of the promoters of this phenomenon, estimated that it is an ongoing process due to at least 2.5 million hectares of land is ‘available’ in the surrounding areas, suitable and ready for industrial crops for export (WB 2011, INRA 2012). Therefore, not just soya production but any related dynamics of appropriation of the land (including cattle farming, forestry, new settlements often based on unclear legal and social arrangements), are key factors to appreciate how this agroindustrial sector has emerged in Santa Cruz and its influence on those agrarian societies mainly placed in the Bolivian highland where most people are farming and subsisting based on the exploitation of very small pieces of land (minifundio).

2. Research Questions

The aim of this research paper is to explore the political economy of land appropriation processes within the Bolivian context, where, on the one hand, the geographical expansion of capitalism has taken place through production of ‘flex crops and commodities’ for export and, on the other hand, the role of the state to carry out a redistributive land reform has been systematically undermined by powerful groups, sectoral interests and political strategies of different state actors. There is, however, no intention of presenting the complex national agrarian transformation; it is beyond the scope of this study. Rather the suggestion is to pay attention to these broad questions that often revolve around

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2 This number is almost the same than current cultivated area in Bolivia: around 2.7 million hectares (idib)
why large-scale farming has increased in the last two decades, causing deforestation of large areas, changing land-use, restricting access to land and intensifying political contestations within from both inside and outside state actors. More specifically, the main research question is, how does land appropriation work in the contemporary context characterized by expansion of capital intensive agro-industry towards frontier areas?

The following three sub-questions are adopted in this research as follows:

i) Who and by which mechanisms controls those appropriated lands?,
ii) What role does the state play within these agrarian dynamics?; and finally,
iii) What happens to those poor peasants who had expectations to get a piece of land on the frontier?

3. Methodology, Methods and Organization

Answering these questions requires a macro-perspective, where political economy is the most relevant framework to relate different components and questions. Caires (2001: 18) states that political economy deals with the phenomena of wealth, its production and distribution, “it expounds the laws according to which those phenomena co-exist with or succeed each other; that is to say, it expounds the laws of the phenomena of wealth”. In this sense, we focus on relations in which land, production, exchange and rent are transformed by the rise of commercial production on the frontier. Specifically, theoretical discussions are required to place the question of ‘land appropriation’ within contemporary debates on dispossession of land, using selected literature in two main and interlinked studies: primitive accumulation and accumulation by dispossession (ABD).

The unit of analysis is land appropriation and agrarian changes in the agricultural frontier—the Santa Cruz region. Summarizing various conceptions, the frontier is understood as a territory where expansion of productive lands, often at the expense of forested areas, is ongoing as a result of a rapid increase in ‘stakeholders’ who are involved in conflicting social and political relationships to take control over the land (Almeida 1992, Foweraker 1981, Hall 2013, Kellerman 1997). Recently, the frontier is being exposed to a new wave of economic pressures and an increasing global market of ‘flex crops’ whose production typically requires these (semi)tropical and frontier lands. The expansion of the frontier occurs through several stages and settlements which often bring with them environmental conflicts and invasion of indigenous territories. Kellerman (1992: 231) highlights that “settlement frontiers do not constitute mere advance intrusions of settlement activity into free land; they also contribute to the social and cultural construction of a new society”. Indeed, Santa Cruz’s claims for being differentiated nation (Nación Camba) or self-perceptions as ‘pioneers’ play an important role in constructing local identities and narratives as part of the struggle for control of the frontier land (Plata 2008, Soruco 2008). This case is explored by researching five interconnected zones, which mainly represent the expansion of the agricultural frontier in Santa Cruz.
My research methods are oriented to bring into account qualitative and quantitative studies and related sources of information. Mixed methods are privileged and it is “a research design with philosophical assumptions as well as methods of enquiry. As a methodology, it involves philosophical assumptions that guide the direction of the collection and analysis of data […] As a method, it focuses on collecting, analyzing, and mixing both quantitative and qualitative data in a single study or series of studies” (Creswell 2006: 5). My primary source is a set of materials and notes collected during my participation in different research teams, fieldworks and interactions with peasant organizations in the last eight years. This includes the use of unpublished papers, interviews and databases of Fundación TIERRA3. My secondary source consists of selected material and literature including both studies published in English and Spanish. In addition, unstructured interviews of key informants, observation and participation were important methods to gather information about current debates and interpretations. They are researchers with whom there is a personal relation and I worked with for many years. Particularly, Miguel Urioste, Juan P. Chumacero have provided unrestricted access to explore complex questions by permanent interchange of opinions and data. One advantage of this method is that the very personal relationships have been used to explore sensitive issues and probe deeper into qualitative analysis. On the other hand, as Becker (1997) highlights, some disadvantages are that it involves a small number of participants and can be difficult to generalise views.

In the following first chapter, we focus on the theoretical dimensions of occupation and control of land. Here, we will introduce the term of ‘land appropriation’ as a way to set up an appropriate and contextualized analytical basis, concept and tools of analysis, using contemporary theories of dispossession. In Chapter 2 we briefly examine the context of analysis, the Bolivian frontier where historically the state has attempted to control and distribute land amidst struggles to accumulate capital and gain political legitimacy. Chapter 3 provides findings and empirical evidence organized in accordance with our three sub-questions: expansion of land occupation and appropriation which occurred during the last years (1985-to present), the role of the state and links with legal and political struggles and the question of who is dispossessed and in what way. In Chapter 4 we discuss the emergent agrarian issues returning to questions of accumulation (who gets benefits), how the state deals with increasing regional economic power and what happens to peasants (how and who is dispossessed). We discuss these parts in connection to theoretical framework and the broader question of why large-scale farming operations have increased in recent years. Finally, in Chapter 5 we briefly summarize findings, conclusions and identifying further possible theoretical and practical implications.

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3 Fundación TIERRA is a Bolivian NGO working on land issues since 1992. This organization has provided an open access to information and database available about land reform and titling process. In exchange, the author will prepare short articles for TIERRA using some research findings presented here.
Map 0.1
Map of Bolivia locating area of study

Source: Adapted from National Geographic
<http://education.nationalgeographic.com/education/mapping/interactive-map/?ar_a=1>
Chapter 1
Conceptual Framework

1. Reviewing Dispossession

Dispossession of land has been a key component of agrarian struggles in many parts of the world and in Bolivia as well. As one can easily deduce, dispossession refers to a process where some people lose their access to and control over land resource, and in the same process a few others have benefitted. Usually it is an unfair, forced and even violent seizure of land, in which the degree of severity is directly related to asymmetrical power relations. It is part of a long history of expulsions and displacements of farmers, colonization of large territories around the world, extermination of indigenous people in America or enslavement in Africa (Bernstein 1991). Winners not only gain control over land and associated benefits but they are also in the position to exploit the labor force of landless and poor people.

Dispossession has been a permanent subject of agrarian studies to understand the development of the capitalist system and, lately, the advanced manifestation of it, possibilities and limits for its expansion in developing countries. Recently new evidence and arguments have stressed that struggles over land and natural resources have increased since neoliberal reform programs were implemented in the 1980s and; moreover, transnational investments in land acquisitions have significantly expanded after the food crisis (2007-2008). Bernstein (2010: 84-85), noting that although it is not possible to generalize the effects of neoliberal globalization, has concluded that “the tendency to deepening commodity relations continues, but with much reduced levels of state investment, direction and control—not least the reduction or removal of direct and indirect subsidies, especially to small farmers”. Although initially the relationship between the doctrine of neoliberalism and how poor people lose their lands seems like an ambiguous and complex area, scholars such as Kay (Akram-Lodhi et al. 2009: 216) explained that more deregulation of international trade results in more production for export, which “is the main driving force of the increasingly exclusionary and unequal nature of the rural development”. Therefore, this situation enforces the power of dominant class and its influence on the legal sphere to “formalize the ownership and control of property” while “increasing proportion of the rural population is becoming semi-proletarian” (ibid: 215).

Reflecting these global pressures, a large number of scholars, activists and policymakers have paid further attention to transnational large-scale land deals known as contemporary ‘land grabbing’.

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4 The global food crises 2007-2008 motivated increasing land deals in the South and many studies have been devoted to this phenomenon. Initially, land deals in Asia and Africa have captured attention and influenced to see ‘land grab’ as foreign investments with greater involvement of governments (McMichael 2009, Cotula et al. 2009, Zoomers 2010, Visser and Spoors 2011). During 2011-2012 many case studies in Latin America supported by FAO
gence that in a very short time became the core reference in agrarian debates. These discussions are also extended to critical reconsiderations. As White et al (2012) pointed out; the incursion of foreign capital to control land is not new. That term was used by Marx (1867: 284) to denote that “land grabbing on great scale […] is the first step in creating a field for the establishment of agriculture on a great scale”. Questions such as what is different, new in relation to previous processes and why ‘land grabbing’ is associated only to transnational capital are being increasingly exposed to critical analysis (Borras et al. 2011, 2012, 2013, Levien, 2012, Margulis et al. 2013, Oya 2013, White et al. 2012, Wolford et al. 2013). One reason is that a narrow association of dispossession-foreign investment does not truly provide a comprehensive account and adequate tools of analysis to examine, for example, those dispossessions where transnational capital is implicated in land deals by complex, indirect and gradual processes. Thus, Borras et al. (2012: 404-405) have addressed the need for conceptual clarifications after concluding that land deals are not always solely by or dependent on foreign (private and public) investments—as far as Latin America and the Caribbean is concerned.

These scholars critically reviewed an earlier narrow FAO’s definition that states that land grabs exist when there are three conditions: a large scale of each transaction, direct involvement of foreign governments and a negative impact on food security. Instead, they presented other defining features: i) “land grabbing is essentially […] power to control land”, ii) its scale is in relation to capital involved and, iii) it happens within the dynamics of capital accumulation. As a result, Borras et al. (404-405) offer an alternative work-in-progress definition: “the capturing of control of relatively vast tracts of land […] through a variety of mechanisms and forms involving large-scale capital that often shifts resource use to that of extraction, whether for international or domestic purposes, as capital’s response to the convergence of food, energy and financial crises, climate change mitigation imperatives and demands for resources from newer hubs of global capital.” Apart from the relevance of these new ways to measure land grabs, the point is that these assessments make clear that contemporary dispossession of land is ever more extended and it takes on different forms and degrees in the practice.

While increasingly these processes of dispossession have been recognized as a crucial issue, discussions regarding who is dispossessed and in what way remain unclear, although new literature on it has recently emerged (Li 2011, Borras 2013, Peters 2013). Two related questions in particular require careful attention. First, why land (and other resources) is the ultimate aim of contemporary forms of dispossession rather than the labor force of people who lose land or are affected. This recent tendency seems to be contradictory to Marxist theory which states that exploitation of labor (but not land) is the source to acquire surplus and accumulate capital (Nicholas 2011, Levien 2012, Sassen showed that it is more than transnational investments and large land deals (Borras et al. 2012). Thus, many initiatives (e.g., Land Deal Politics Initiative LDPI – www.iss.nl/ldpi) and critical studies continue reviewing its nature, key components and defining features to conceptualize what is land grabbing (Borras et al 2012b, Oya 2013, Scoones et al. 2013)
The fact that investors prefer to take control over land and exploit it, rather than people, has been corroborated by numerous studies conducted in different regions of the world that tell us that land commodification occurs at the expense of exclusions, deprivation and marginalization of landless and poor peasants (for Latin America see, e.g., Foweraker, 1981, Borras et al. 2012b, Kay 2009; Africa, e.g., Fairhead and Scoones 2012, Zoomers 2010; and extended studies in Asian countries, e.g., Borras 2007, Hall et al. 2011, Levien 2012, Walker 2006). In Asian context, for example, Li (2011) exposes that the precarious situation of excluded people is the result of large scale plantations where labor is not needed by the global capitalist system.

Levien (2012: 938) suggests that a deep understanding of today’s “struggles centered on the dispossession of land requires to return to the concept of “primitive accumulation” by following Harvey’s work on “accumulation by dispossession” (ABD). One implication of it is that the return, in some way, calls into question the Marxist interpretation that capitalist surplus (wealth) comes from labor exploitation. According the Marx’s theory of value, land is ‘non-produced input’ and as such it was not initially included in the theorisation of capital (Nicholas 2011). But, later, Marx himself understood the need for a more in-depth re-interpretation. His work, theory of land rent, is an attempt to reconsider land as source of surplus as well. Unfortunately, it has not been concluded. Nevertheless, he stated that “labor is not the source of all wealth. Nature is just as much the source of use values […] as labor,” (Marx 1867: 1 [1999]). Today, it acquires a renewed importance to explore possible responses for the question of why today’s dispossession is focused on land.

Another related question is why dispossession mostly implies that people lose their land. Although it is true that many people are expelled from their land, the complete picture is more than that. To some extent it is a critical response to mainstream studies on dispossession which mostly refer to those processes of separation of people from the land and the subsequent proletarianization. (Arghii 2009, Kanti 2007, Webber 2008, Arrighi et al. 2010). Indeed, there is greater attention to see dispossession beyond land and separation of people from their means of production. Several forms to create capitalist property have been identified, from generic processes of ‘enclosure’, commodification of nature and “spaces and processes hitherto outside the ‘circuits of capital’”, privatizations to creation of necessary conditions and institutions (Negi and Auerbach 2009). This broad perspective has become better known and well accepted since Harvey presented his theoretical innovation, ABD, for understanding complex and extended ways of accumulation, forms of dispossession and; therefore, different ways by which people are affected by capitalist expansion (Harvey 2003). These multiple forms of capitalist expansion in times of intense capital accumulation show the significance of our intention to explore dispossession of land according its diverse expressions and following the great number of studies devoted to exploring this topic in this way (Li 2011, Peters 2013, Glassman 2006, Levien 2007, Kappeler and Bigger 2011, Bush et al. 2011, Hall et al. 2011, Borras et al. forthcoming 2013).

Providing this opening discussion about recent interpretations of contemporary land dispossession and its effects briefly set out so far, we now offer
further considerations, because these processes with peculiar features are relevant in explaining the Bolivian agricultural frontier.

2. Rethinking Primitive Accumulation

What we have discussed can be summarized in a single question. Why do investors today acquire mainly land, much better if it is ‘ownerless’, rather than exploiting cheap labor? As we introduced it earlier, Harvey’s ABD goes forward in this direction by taking us back the significance of Marx’s ‘primitive accumulation’ concept that is the subject of many studies (e.g., Glassman 2009, Levien 2007, 2012, De Angelis 2007, Bush et al 2011, Arrighi et al 2010, Dunn 2007). Negi and Auerbach (2009: 100-101) highlight the innovative value of Harvey’s work to revitalize debates on those processes related to dispossession around the world which, for a generation or more, “have been interpreted through seemingly self-evident, yet ideologically powerful notions like capital investment, growth, and economic development”. More specifically in the field of agrarian studies, Levien (2007: 936) underlines that “ABD provides the beginning of a more powerful analytic concept regarding the role of dispossession under advanced capitalism”.

As we know, primitive accumulation implies separation of producers from their means of production, where people are turned into wage laborers (proletarianization) and land into capital for the emergence of the capitalist mode of production (Marx 1867 [1999]: 874). Also it invariably refers to brutal and violent processes of expropriation that Marx stated as the history “written in the annals of mankind in letters of blood and fire” (ibid: 875). To link it to ABD, Harvey (2003, 2005) argues that these kinds of disposessions are taking place at the moment, as a neoliberal response to a permanent crisis of advanced capitalism. ABD does not refer just to land but includes commodification of diverse natural resources, public assets and services, deregulation of markets, privatization of the states, among others (Ekman 2012).

Within Harvey’s framework, scholars such as Levien (2012, 2007), Buck (2009) and Negi and Auerbach (2009) have expressed their concerns of whether ABD is, overall, about divorcing people from land or use of violent means. In other words, whether the contemporary dispossession is caused by new emerging capitalist economies (e.g. Brazil or China), or is a last and violent-resort of global capitalism in crisis; so, unable to accumulate through ‘expanded reproduction’. Levien (2012: 939) convincingly insists that ABD is unclear about when and under what conditions certain processes respond to one or another causes; therefore, multiple disposessions are still considered the same thing, as “a typical ‘transition’ process of proletarianizing the peasantry”. Levien and Glassman (2006) as well, emphasize that “extra-economic means” are a key component for accumulation and our understanding that we are dealing with a capitalist system in crisis, unable to make profit by ‘expanded reproduction’; hence, unable to hire and exploit workers, having no other option than
creation of surplus by ‘stealing’ non-commodified resources. Of course, it does not mean that appropriation of labor surplus is not an important source of accumulation, particularly in fast-growing economies such as Brazil, Russia, India, China and South Africa (BRICS). The contribution of these discussions is that they suggest to distinguish those “forms of dispossession that separate people from the conditions of production from more general processes of privatization, appropriation and wealth redistribution” (Negi and Auerbach 2009: 101).

This set of re-examined works offers several conceptual strengths and tools of analysis for understanding the contemporary dispossession in the context of the frontier. First, these studies stress that land commodification responds not only to long-standing expansion of the capitalist mode of production, but to advanced capitalism in crisis seeking accumulation without ‘expanded reproduction’. Second, these discussions underline that land becomes more valuable than labor and commodification is more imperative than distribution of land among the landless and peasants. This shift in turn entails to explore other related elements such as labor or political contestations from a new perspective. For example, Li (2011: 281) underlines the need for “placing labor at the center of the global ‘land grab’ debate” but not only as eviction of people. Third, they reveal that ‘extra-economic means’ are key factors to spread dispossession, limit access to land for poor people and even all of this can take place without violence, resistance and well-defined political struggles and reaction by marginalized people. Thus, the production of ‘flex crops and commodities’ also implies political struggles beyond the national borders about global governance to ‘regulate’ land grabbing (Borras et al 2013). Consequently, questions of politics, state and power relations are also underlying issues in the contemporary agrarian changes.

As we will see, the agricultural frontier in Bolivia has been deeply transformed in response to global driving forces. The rise of agricultural prices triggered the expansion of the frontier, land-use change and arable land for oilseeds production and commercial livestock. People who had control of frontier lands have responded quickly to the international market regardless of insufficient internal supply, for example, producing wheat and other imported products (Fundación TIERRA 2013). The increasing flow of migrants, capital and technology from countries involved in soya production and trade (Brazil, Argentina, Colombia) have created a ‘business friendly’ environment in Santa Cruz that allows a rapid growth of the agroindustry sector. It is about controlling those areas suitable for production through investments, use of machinery and intensive monocropping (Urioste et al 2001, 2012, Mackey 2011, Hecht 2005). Given that it is not a labor intensive mode of production, people are likely marginalized or encapsulated within marginal areas and settlements zones. Certainly, it is not about people resisting expulsions but how expected land distribution is vanishing and new social and institutional arrangements are emerging on the frontier.

Harvey (2003:89) introduces the notion of “spatio-temporal fixes” to explain that the global capitalism is relocating investments and surplus in different geographical spaces and, at the same time, investing in long term profitable opportunities. (see also Ekman 2012: 157-158).
3. Problematizing ‘Appropriation’

Dispossession of land has been an essential requirement both to develop the capitalist mode of production and recently to sustain advanced capitalism in crisis although by more complex mechanisms (structural, institutional and legal) and a wide range of non-commodified resources. One of the distinguishing features from market relations is that it occurs through extra-economic coercion: violence, force, unjust pressure or, as Marx said and Harvey does not hesitate to do so, it is about “the theft of the people’s land” (Marx 1867 [1999]: 506, Wood 2007: 23).

In moving forward, it is critically important to follow what many scholars have suggested: contemporary dispossession needs to be unfolded according to, among other criteria, its multiple forms often defined by the balance of power between pre-existing control over the land and the degree of interest to commodify it. (Negi and Auerbach 2009: 101, Levien 2012, Hall 2013). It has particular importance for understanding the beginning, continuity and future of the agroindustry on the Bolivian frontier. Thus, changes in and struggles for access to frontier land can be delineated as a subcategory of dispossession embedded in the recent agrarian changes reshaped by new priorities of advanced capitalism. Since it is important to maintain a clear distinction, here is where the concept of ‘appropriation’ comes in. This term can be defined as systematic control and occupation of land on the frontier exercising power to turn it into private property. In these conditions, the land claimed is often state-owned or public land suitable to expand productive areas and mostly ‘flex crops and commodities’ for export.

To further clarify it, we first focus on the general importance of this understanding and then elaborate on some qualifications around meanings of access and property rights, state-owned or public land and actors involved in land dispossession. But there is no intention to use ‘appropriation’ in the way used by Marx where it mainly refers to exploitation of workers by the capitalist class to confiscate labor surplus and accumulate capital (Roberts 2011, Marx 1867 [1999]).

In general, by land appropriation we emphasize the processes and dynamics to gain access and control over the frontier land. In this scenario, people do not lose land directly but in complex ways where the state plays a central role. It should be noted that dealing with frontier/public land requires careful consideration because the fact is that these areas always are claimed, disputed and, to some extent, inhabited by locals, settlers, indigenous Amazon people, or even by landless people who are occupying small pieces expecting to consolidate it as their own property. By legal definition, land is the property of Bolivian people, and its “administration corresponds to the state on behalf of the collective interest public” (CPE 2009: art 349). For these reasons and as White et al (2012: 631) explained, the “so-called ‘marginal, empty, and available’ lands across the globe” identified for land deals by the WB do not really exist.

The underlying implication of focusing on the frontier lands is that we are dealing with a particular configuration of (social and power) relations where the state actors claim control over that land but it is always contested. As
Peluso and Lund (2013: 2) underline, frontier lands “are sites where authorities, sovereignties, and hegemonies of the recent past have been or are currently being challenged by new enclosures, territorializations and property regimes”. The state and its institutions (law, national and regional governments, local land offices, and bureaucracy) have the responsibility of controlling processes of occupation and transformation of the ‘natural environment’ into productive areas, but the results do not necessarily match with those mandates (Foweraker 1981). The state intervention takes place under a variety forms and actions including agrarian reforms, distribution and redistribution, promotion of settlement areas, definition of forested areas and protected areas. However, these formal state mandates are just one side of the story. There is a vast literature devoted to reveal that states, manipulating law and using force, are diligent facilitators of processes of appropriation of public land by the private sector or even under corporate joint ventures (Woods 2011, Walker 2006, Hall 2011). Therefore, it is essential to find out to what extent land appropriation is being affected by state acts in the practice.

To close this section, three elements need further qualification. First, access and property rights: both are usually treated as synonymous or interchangeable terms but as such have limitations. Following Ribot and Peluso (2003: 154), a distinction “brings attention to a wider range of social relationships that can constrain or enable people to benefit from resources without focusing on property relations alone”. In that sense, property rights are not the unique form of access but just one of different ways. We adopt this broader interpretation because it is a potential tool to problematize further appropriation and control of the frontier lands which are certainly more than just legal struggles. From this, one important assumption is that appropriation occurs when social and institutional arrangements are shaped all the time and, while this is an ongoing process, access to land is no more than provisional.

Second, conceptual clarification of state-owned or public land is central here. Initially, public land says something about properties without significant private rights and commercial agricultural production. Nevertheless, we are interested in a more qualified definition. It comes from Borras (2007: 26) who observes that public lands “are in fact under varying degrees of cultivation, imbued with private interests, and marked by production and distribution relationships between the landed and the landless and land-poor, between the elite and non-elite”. Thus, public lands are places of class struggles to gain access, and over time, reach high degrees of control that, eventually, become private property through land titling.

Finally, the question of who is dispossessed, in what way and by whom. In these cases, those affected people are mostly outside the frontier, are not occupying it but they certainly have expectations to get a piece of land through land reform and ongoing titling processes which aim is to achieve state control over the frontier and then distribute land among landless and poor rural people. In this situation, land appropriation by capitalist elites implies that access to land is denied and depends strongly on dynamics and political processes of the state facing its inner dilemma, to accumulate capital, or to maintain political legitimacy (Fox 1993, Borras 2007). Here, governments as a state actor will play a role in favor of land appropriation while it makes economic sense and as far
as its political legitimacy does fall to level below the minimum political power needed to control the state. In the midst of all this, who benefits by land appropriation is the capital able to control and put frontier land into profitable production. There is no reason to directly associate that capital to landed elites of the frontier because the latter are often ‘land rich and cash poor’ elites although key allies to control, privatize and commodify land (Borras and Franco, forthcoming 2013: 5). These are dynamic relations and, overall, capitalist relations on the frontier.

This chapter sought to explain the theoretical and practical relevance of dispossession, its diverse manifestations and linkages with questions such as land grabbing, capital accumulation and the significance of ‘extra-economic coercion’ today. Reviewing ABD and primitive accumulation I have tried to bring to the table those ‘laws’ explored by many scholars to explain ‘the phenomena of wealth’ within agrarian questions. Later, ‘appropriation’ has been adopted as part of these discussions and as a specific framework for further analysis. The next chapter introduces a brief overview of the Bolivian frontier.

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Chapter 2
The Bolivian Frontier: A Brief Review of the Context

Bolivia, as many scholars have documented, is historically a mountain (Andean) society even though 70 per cent of its territory is flat lowland. Geographically, it is divided into two major regions: the highland where the high plateau or *altiplano* (3,600-4500 m above sea level) and the Andean valleys lying easternmost region (around 2,600 m above sea level) are located; and the lowland which is a mostly forested vast tropical and subtropical area, and part of the Amazon Basin (around 500 m above sea level). Both the pre-colonial population mostly placed in the highland (*Quechuas* and *Aymaras*) and the interest of Spanish conquerors to exploit silver mines on the Andes, have met to preserve Bolivia as a highland society where a huge number of indigenous people persists. By the mid-20th century, several programmes were implemented to integrate both regions. The Santa Cruz region is the main lowland society which radically changed as the result of integration projects and lately rapid insertion into the global agro-commodities market. Its population in 1950 was estimated at 244,658 but today has 2,655,084 (2012), that is up to ten times more than before and represents more than a quarter of Bolivia’s population (INE 2012).

1. Santa Cruz

Santa Cruz has relatively the same ecological environment (soil, climate, vegetation) characterized by semi-arid lands in the south and increasingly humid and forested in the north. In the past this region was poorly connected to the rest of Bolivia and the global economy. Today however, it is considered the major economic center and in terms of agroindustry it is highly influenced by the Brazilian economy. It is no longer an isolated frontier. This region is the largest agricultural producer although with a smaller rural population (Balderrama 2010). Its rapid transformation means that Santa Cruz is a dynamic frontier based on production of agricultural commodities for export but also on increasingly non-agricultural economies.

Santa Cruz can be explained through understanding the process of land occupation and appropriation. Different historical circumstances, cycles of occupation and external conditions must be explored in detail (see next chapter) but, here, it is important to illustrate the different decisive periods after the Agrarian Reform of 1953 which was the beginning of the first period of the frontier expansion (1953-1985), and the decisive turning point from the mid-1980s to the present. The latter is not casually placed within the 1980s. It is known as ‘lost decade’ because factors such as convergence of economic crisis and hyperinflation have created a chaotic gap within which neoliberal policies began in Bolivia and Latin American (Sandoval 2003).
2. The Period of Agrarian Reform 1953-1985

The United States, inspired by its ‘Wild West’ colonization, “exerted a strong influence in Bolivia on the need to locate frontiers of settlement, to map them and so demonstrate the role that they could play in national development” (Fifer 1982: 410, emphasis original). In 1905, a commission designed the ‘Frontier Ring’, a study which identified settlement zones along the lowland and international boundaries. Stimulated by this idea, successive Bolivian governments have attempted to attract foreign colonists from both Europe and United States (ibid). However, this early and ambitious plan to colonize the lowland did not succeed, but influenced later initiatives. Meanwhile, Santa Cruz mainly remained to be a small number of large haciendas, scattered livestock estancias and a few satellite villages. Until 1940s, the small city of Santa Cruz de la Sierra was populated by less than thirty thousand people (Weeks 1946: 549).

The Agrarian Reform of 1953 was a pivotal piece of “National Revolution” of 1952 promoted by Movimiento Nacional Revolucionario (MNR)—Revolutionary Nationalist Movement. Once in power, MNR led an economic development based on nationalization of strategic economic sectors (e.g., mining) and use of resulting revenues to develop export-oriented industries (Sanabria 1993). One important premise was that the Bolivian economy was dependent mostly on mining, and small scale highland fragile agriculture were not sustainable and; therefore, opening the agricultural frontier in the east was identified as a key long term project. Initially, the Agrarian Reform was achieved and immediate and effective ‘land restitution’ in favor of highland peasants who were being exploited by landlords (hacendados) under semi-slavery conditions was carried out (Urioste, 2007). However, the land restitution was a rapid MNR action to calm rural struggles rather than to promote agriculture development in the highland. The idea that lowland agriculture would be an important source of surplus; strongly influenced the persistence of pre-existing large-scale ranches and properties in Santa Cruz.

Until the mid-1950s Santa Cruz was not connected by any permanent road to the rest of Bolivia. It changed only when the Bolivian Development Corporation (CBF) concluded the construction of 500 km highway Cochabamba-Santa Cruz (Fifer 1982, Sandoval 2003). This infrastructure was one component of the ‘Plan Bohan’, the main planned, implemented and financed program by the United States in order to expand and diversify the national economy. Later, this programme was reformulated as Marcha al Oriente —The March to the East, which was specifically oriented to agricultural development, expanding arable lands and settlements zones in Santa Cruz (Urioste and Pacheco, 2001; Fifer, 1982). The following are some important milestones of this period.

\textit{a) The road (1954).} Opening of the road Cochabamba-Santa Cruz (500 km) that broke down the isolation of the Santa Cruz by connecting it with

\footnote{6 The Frontier Ring it is a group of ten settlement areas projected to establish along the international boundary to defend Bolivian territory. The absence of the state and population, among other reasons, caused that, next to Santa Cruz, Bolivia has lost 234.000 sq. km. in the south (1935) and 50.000 in the east (1928) (Fifer 1982).}
main cities and regions of the highland (Cochabamba and La Paz) (Fifer 1982).

b) First experiment of colonization (1954). Cotoca, placed next to Santa Cruz city. It was the first experiment to establish settlement colonization areas of a hundred families from the rural highland (Potosí and Oruro). Each family was benefited by 10 hectares, money assistance, food, basic tools, seeds, draft animals and instruction. It was seen a paternalistic approach difficult to replicate in other areas (Fifer 1982).

c) Rice and sugarcane era (1958-64). Supported by government assistance, rice and sugarcane production increased considerably in Santa Cruz. According to Thiele (1995), lowland farmers were replaced by Andean colonizers who became the main producers of rice because their slash-and-burn method and labor intensive model were more efficient. However, expansion of this emerging economy was limited by the rapid saturation of internal markets and high transportation costs for export.

d) Settlement and colonization era (1960s). Two important colonization areas were created in Santa Cruz: Expansion Zone and Colonization Zone. These areas were occupied by diverse sectors from large farmers linked to agro-industrial capital, Japanese and Okinawan immigrants, Mennonite settlers and highland peasant colonizers (colonizadores collas) (Thiele 1995). In 1965, the government established the Instituto Nacional de Colonización (INC)—National Institute of Colonization to coordinate/integrate different settlement programs.

e) Cotton era (1970-1974). Military government (Hugo Banzer) created facilities for easy access to agricultural credits. So, large areas brought into production in the south of Santa Cruz by large farmers. Today, these large directed concessionary credits are still considered a controversial point because, according to large farmers it was lost due to the fallen cotton price (because it was substituted by synthetic fiber), but others consider that it was used discretionally into non-agricultural activities (see Thiele 1995, Urioste et al 2003).

f) ‘Lost Decade’ (1980). Toward the end of 1970s and the first half of 1980, Bolivian state actions were ambiguous and mostly affected by general price instability, and agricultural expansion was not attractive. However, land appropriation led by speculative factors continued along new roads and zones of expansion.

Two elements need to be highlighted. First, the importance of Andean settlements in Santa Cruz. This subject was particularly well explored by early pioneer scholars such as Thiele (1995), Fifer (1982), Gill (1987) and Arrieta (1990). Some shared conclusions are that, ‘spontaneous’ settlements have been decisive for the majority of Andean settlements in areas of Yapacani, San Julian and Chané-Pirai, rather than ‘directed’ programmes. Settler’s income increased over time thanks to labor-intensive agriculture. In this period, settlers could not be displaced due to their very well organized reproduction of their Andean collective action and mode of organization. At that time, Fifer (1982: 432) concluded that “[t]he pace of consolidation of the pioneer settlements in this ‘new
frontier’ is irregular, and likely to remain so. The final-stage development of the many small pioneer zones scattered along the axial belt depends not only on time, population growth, and favorable local conditions but on access to external stimuli”. Second is the extension of large farmers. There is no a clear conclusion about how large and permanent the agricultural expansion had reached. According to Paz (2009: 87), volatile international prices would have deteriorated and even triggered bankruptcies of many agro-industry and large-scale farmers. Nevertheless, in 1976 market prices began to rise benefiting extensive livestock farming. The lack of market and the economic crisis of the 1980s limited substantial expansion of cultivated areas, despite landowners’ clear ability to control the frontier land.

3. The Rise of ‘Flex Crops’ (from the 1985s onwards)

By the mid-1980s, the beginning of soya production led the most radical agrarian transformation on the frontier. Mennonite and Japanese settlers were the pioneer producers who introduced soya crops after testing it in small areas. (Medeiros 2008: 183). Commercial opportunities began in 1985, when Bolivia officially adopted the free-market model as part of new public policies in order to overcome the hyperinflation period. During the second half of the 1980s, liberalization policies were increasingly adopted, and given that the mining sector collapsed (due to decline in prices) successive governments considered that flex crops and agricultural commodities for export were important economic alternatives. According to Perez (2007: 94), the Bolivian state has played a decisive role reallocating public funds to support private initiatives with ‘comparative advantages’ by implementing infrastructure projects and economic support to the private financial sector in order to facilitate access to credit for agro-exporters.

During the 1990s, the ‘Eastern Lowlands Project’ of the WB, initiated in 1991, played an important role to expand soya production and consolidate the main characteristics of this kind of farming. Usually, large-scale agriculture has up to a thousand hectares for soya cultivation and other oilseeds using machinery, monoculture techniques and imported agricultural inputs. Different new technical ways for classification of land-use (arable land, grazing, mixed) and types of producers (small, medium, large) were implemented with technical assistance of international agencies. In this period also, Andean peasants began to produce commodities for export in settlements zones. Moreover, the 1990s is the decade of visible incursions of foreign capital not only to produce soya but also in acquiring cattle ranches on remote areas of the frontier. At the end of this period, cultivated area of soya reached around a half million hectares, which means that it went up by a factor of eight in just fourteen years (1986-2000) (Urioste 2011, Perez 2007, Killeen et al. 2008, Thiele 1995).

The 2000s could be considered as the decade of consolidation. Urioste (2012: 30) concludes that in Santa Cruz, during 1990-2007, the cultivated land increased from 413,320 hectares to 1,821,631, that is, 4.4 times and up to nearly one million hectares are directed for soya and other oilseed crops. This change reshaped the Bolivian agrarian structure beyond the frontier because the cultivated area in Santa Cruz represents 66 per cent of total national cultivated area. During this decade the presence of foreign capital is more visible,
particular, farmers and investors from Brazil, Argentina and even Colombia. However, as many studies conclude (Urioste 2012, Borras et al. 2012, Zoomers 2001, Mackey 2011), the increasing importance of flex crops and commodities on the frontier is linked to relatively small, fragmented and private investors rather than ‘land grabbers’ in the sense of large land deals where state facilitates it and provides legal protection. One under explored issue is differences and relations between capital invested to own land for primary production and capital invested on ‘value chain’ (processing, trade and marketing).

Finally, it is important to allocate this Bolivian frontier within a broader context pointing out two questions. First, production of soya and commodities has been influenced by the closing of settlement programmes. Official programmes in Yapacaní, San Julian and other zones of Santa Cruz were closed without a reliable assessment of outcomes. Andean settlers who arrived during the 1960s and 1970s were also involved recently in commodities production. Further explanations are developed in the following chapter. Second, Bolivian soya production by one million of cultivated area is relatively marginal and remains far from neighboring countries. Brazil, which territory is eight times larger than Bolivia, cultivates 25 million hectares and it is the second largest soya producer in the world (after United States), Argentina, 2,5 times than Bolivia, produces soya in 18 million hectares and Uruguay, which is third of the Bolivia’s size, cultivates 2,1 million hectares (FAO 2013). However, as noted above, Bolivia is one of the countries where lad is ‘available’ for further production (Deininger and Byerlee 2011).

The next and final section is devoted to the legal sphere which overlaps with the rise of soya production described here. A brief overview of this side will contribute to a more comprehensive understanding about the emergence of intensive farming on the frontier.

4. The Second Agrarian Reform of 1996

Towards the end of the 1990s, several convergent factors disclosed the crisis of land distribution in Bolivia. From 1953-1993, the Consejo Nacional de Reforma Agraria (CNRA)—National Council on Agrarian Reform legalized around 97 thousand land titles over 13, 5 million hectares in Santa Cruz region. What is noticeable is that 7,5 million of these land (55 per cent) were granted as large properties, each one at least larger than 10 thousand hectares (Soruco 2008, Muñoz and Lavadenz 1997). These legal outcomes were part of a more extended request for legalizations whose size had no relation with small areas effectively dedicated for farming as agroindustrial production, livestock or settlement zones (Urioste 2003).

In the highland, the first reform (1953) became meaningless after successful ‘land restitution’ to indigenous people and organization of ‘peasant unions’ (sindicatos campesinos agrarios). Although initially these highland small scale farms achieved more productivity and production, supplying typical food possible to get in mountain areas (potatoes, grains, some vegetables), they were not able to
produce industrial food which was imported from Argentina and Chile (cooking oil, rice, wheat and sugar) (Weeks 1946). Soon highland agriculture was marginalized from the national agenda and; consequently, more than 70 per cent of the Bolivian rural population was exposed to fragile conditions. As Urioste (2003: 1) explained “in the mid-1970s, [...] the Reform had been abandoned, with no one knowing when it had concluded. It ended up in the corners of a handful of offices as thousands of files with no political backing or direction. All government administrations were negligent in directing this process. The country’s military dictatorships were noted for their arbitrary and gratuitous distribution of lands, especially in the eastern lowlands”.

Given these unsustainable land titling processes, in 1992 a government commission intervened and took control over both CNRA and Instituto Nacional de Colonization (INC)—National Institute of Colonization in 1992. The Bolivian government established a ‘moratorium’ of new land grants and distribution. After four years of intense discussions and negotiation a new land law was approved: the Ley del Instituto Nacional de Reforma Agraria (INRA)—National Institute of Agrarian Reform, which is considered as the Second Agrarian Reform. Its main objective is to give technical, legal and political power to the national state in order to control the frontier land through a mechanism called saneamiento de tierras which in simple terms is a new land titling process focused on revision of legal precedents of properties granted by the CNRA.

Closing this chapter, all of the above briefly mentioned could be summarized as follows. The gradual intensification of frontier agriculture and state efforts to recover control over disputed but public land, are two distinctive features for understanding the roots and struggles for land appropriation. Since 1996, the state’s claim is that frontier lands are public properties and those large areas controlled by elites are ‘unproductive latifundios’ which must be redistributed. Of course, it was strongly contested by those elites (see introduction) and, at the same time, limited by the inner dilemma of state actors between their need to accumulate capital and to maintain political legitimacy (through land reform oriented to rural majority). In the following chapter, we suggest that the land appropriation is initially an economic process led by the global market; then it becomes a political process when economically empowered landowners begin seeking consolidation as private property and protection of accumulated capital. In essence, this land appropriation is about how ‘unproductive latifundio’ becomes ‘productive latifundio’ or large scale agroindustry.

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7 Particularly imported food was for consumption in mining sector (Weeks 1946).
8 In legal terms, ‘unproductive latifundios’ refer to large titled or pretended properties that have no fulfill ‘economic and social function’, in the sense that land must be used for agricultural/food production, with certain minimum amount of investments, worked by wage laborers, machinery and similar requirements. Otherwise, the state will distribute among landless and poor peasants (Law INRA 1996).
This chapter presents empirical evidence and findings for understanding how land appropriation works on the frontier, through identifying key stages and elements in this process which occurred during the last years (1985-to present). Initially, I focus on three stages named ‘putting land into production’, ‘expanding the agricultural frontier’ and ‘controlling the agro-industrial chain’. After, legal and political struggles running alongside of the expansion of commercial farming are also examined. Finally, I review the main elements needed to deal with the question of who is dispossessed and in what way.

1. Stages of Land Appropriation

It is possible to distinguish three stages throughout changes in access to frontier land, although these often overlap with certain areas and with other processes. For example, the gradual expansion of the frontier implies that some areas are already incorporated into production while others, away from the center, are in the early stages. Changes are not neither homogenous along the frontier nor take place at the same time. It is also important to note that there are no unidirectional changes or rigid cause-effect relationships. However, what gives meaning and direction is that there are concrete economic motivations to expand and consolidate domains over marketable land. The order of these stages indicates consecutive steps where one creates certain conditions that, over time, become the underlying basis for the next step. In addition, examining appropriation through phases is a practical means to organize empirical data.

1.1 Putting Land Into Production

This first stage (1985-1992) was characterized by increasing economic activity on the frontier. It was a clearly differentiated process from previous vigorous, but limited, large farming operations producing sugarcane, cotton and livestock (Thiele 1995). According to Gill (1987), during the 1970s cotton producers benefited from high market prices, direct and indirect subsidies and easy access to credits funded by the state. Even though external markets were unstable and there were structural limitations (lack of roads, high transport costs), large farmers achieved a better economic situation, as well as small farmer in ‘colonization zones’ by adopting labor-intensive agriculture. For the latter, rice was a strategic or ‘subsistence crop’ because it could easily be marketed or destined for self-consumption (Fifer 1982).

From 1986-1992, the expansion of cultivated areas, which implies deforestation, quickly began to increase. The rise of agricultural production was generalized. In the Expansion Zone, for instance, cotton increased by 135%, soya
by 194%, sorghum by 108% and wheat by 539% (see table 3.1). Soya crops covered more hectares than any other crops.

### Table 3.1
**Annual clearing of the forest by type of actors(*) and expansion of cultivated areas**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>A. Annual clearing (in ha)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andean Colonist</td>
<td>58,914</td>
<td>72,444</td>
<td>132,968</td>
<td>207,246</td>
<td>117,893</td>
<td>100%</td>
</tr>
<tr>
<td>Mennonite Colonist</td>
<td>6,956</td>
<td>11,573</td>
<td>14,424</td>
<td>13,669</td>
<td>11,656</td>
<td>10%</td>
</tr>
<tr>
<td>Agro Industrialist</td>
<td>22,501</td>
<td>24,649</td>
<td>52,060</td>
<td>89,954</td>
<td>47,291</td>
<td>40%</td>
</tr>
<tr>
<td><strong>B. Crop Area (1,000 ha)</strong></td>
<td>115.2</td>
<td>135.6</td>
<td>272.1</td>
<td>353.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>in Expansion Zone</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cotton</td>
<td>11.2</td>
<td>10.0</td>
<td>3.9</td>
<td>26.3</td>
<td>15</td>
<td>135%</td>
</tr>
<tr>
<td>Rice</td>
<td>13.7</td>
<td>16.2</td>
<td>18.2</td>
<td>18.2</td>
<td>5</td>
<td>33%</td>
</tr>
<tr>
<td>Corn/maize</td>
<td>17.1</td>
<td>14.2</td>
<td>19.7</td>
<td>35.4</td>
<td>18</td>
<td>107%</td>
</tr>
<tr>
<td>Soya</td>
<td>68.2</td>
<td>85.4</td>
<td>179.3</td>
<td>200.2</td>
<td>132</td>
<td>194%</td>
</tr>
<tr>
<td>Sorghum</td>
<td>12.1</td>
<td>20.0</td>
<td>30.0</td>
<td>25.2</td>
<td>13</td>
<td>108%</td>
</tr>
<tr>
<td>Wheat</td>
<td>10.0</td>
<td>4.0</td>
<td>30.0</td>
<td>63.9</td>
<td>54</td>
<td>539%</td>
</tr>
<tr>
<td>Sunflower</td>
<td>-</td>
<td>-</td>
<td>10.7</td>
<td>20.1</td>
<td>9</td>
<td>88%</td>
</tr>
</tbody>
</table>

Source: Adapted by author from Hecht (2005) and CAO (1987-1992)

(*) Note: The categorization of agrarian actors as Andean, Mennonite Colonists and others can be questioned because it denotes their cultural and religious adherence rather than their role as producers. It is often overlooked in the literature and data classification. For the future studies, these categorizations require further revisions not only to overcome potential misleading interpretations but to identify differentiation processes in economic terms. Noting this important issue, here I use available data (and categorization) in terms of frontier actors according their economic role as small, medium or large producers. For instance, ‘Andean colonists’ are small farmers organized in communities in colonization areas. ‘Mennonite colonists’ first came to Bolivia in the 1960, they are Bolivians established as small family farms, today, producing soya, sorghum and cotton, with limited use of technologies for farming because of religious beliefs. ‘Japanese colonists’ were mostly ‘medium farmers’ associated among them as cooperatives. ‘Agro-industrialists’ refers to national and foreign investors closely connected to agro-industry sector (Killeen et al. 2008). From now on, I examine related data under these limitations and focusing my attention on the economic role of the frontier actors.

Data about annual forest clearings (Table 1, part A) shows that both Andean and Mennonite colonists and settlements were noticeably involved in deforestation, many of them using conventional methods such as slash-and-burn. During this period, colonists increased their role as major food suppliers producing rice, corn, wheat and other ‘subsistence crops’. Production of sunflowers, sorghum and maize also increased as part of the evolution of the oilseed complex and the agro-industry in general. However, other commodities such as sugarcane remained a slow-growing sector, mainly because there was no sufficient labor force. According to Gill (1987), labor-intensive crops could not develop quickly due the fact that potential workers, frontier colonists and small peasants preferred to cultivate crops on their own available land.

Between 1986 and 1992 the cultivated area of soya changed from 63 thousand hectares to 217 thousand while its export value increased from US$19 to

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* Other crops such as wheat and cotton were also growing quickly but towards the end of this period both declined recurrently, returning nearly to 1980s situation.
US$57 million (Perez 2007). In other words, the soya production was no longer a marginal activity as it had been experimented with in the past by Mennonite settlers. This successful beginning of soya was reflected in land-use changes, increasing deforestation and the gradual mechanization of large farms on the frontier. Killeen et al. (2008: 6) show that over time not only soya producers but also others (Andean colonists, cattle ranchers) have cleared the forest in order to expand cultivated areas.

One key element for putting land into production was the “Eastern Lowlands Project” of the World Bank, initiated in 1991 and implemented in Santa Cruz. The main aims were to expand production of profitable agricultural commodities by increasing soya for export by about 200 thousand tons/year and substituting imported wheat by about 30 thousand tons per year (World Bank 1998). This project was explicitly oriented to consolidate large-scale soya production under the argument that it would accelerate economic growth and sustainable agricultural development. Seven years later, the WB reported results of agricultural production, as follows.

Bolivia’s real annual agricultural growth since 1987 of 1.5 percent has been strongly influenced by the expanded production in the Eastern Lowlands, the most salient features of which are as follows: between 1990 and 1996, agricultural exports from Santa Cruz increased 400 percent; the gross value of the Department’s agricultural output rose from US$350 million to US$685 million during the period 1990-96. It has been estimated that 37 percent of the increased output could be credited to the project, producing US$115 million in annual returns […] (World Bank 1997: iii).

However, the successful achievement of profitable production was overshadowed by the failure to control deforestation. Perez (2009) concludes that the WB programme most likely caused the deforestation of the primary forest rather than producing in existing cultivated areas. The World Bank (1997: 4), reported that “[i]n the process unfortunately, deforestation increased considerably, e.g., almost one million ha between 1989 and 1996. These actions far exceeded expectations, e.g., the project plan forecast only 25,000 ha of new land clearance in the expansion zone over five years”. This is 40 times over their original plan.

Thus, the first stage consisted of a rapid incorporation of frontier land into soya production and other commercial crops. At this moment it is possible to identify some patterns and defining characteristics. Deforestation was mainly caused by agro-industrial production of soya and related oilseeds. Others such as sugarcane and cotton are part of slow-growing ‘flex crops’. Andean and Mennonite settlers also began to expand cultivated areas to increase rice, maize and wheat production for the internal market. While large properties adopted capital-intensive farming, settlers had the advantage of controlling labor-intensive farming. Finally, the World Bank project strongly influenced intensive

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10 As Perez (2007) and Kreidler et al. (2004) noted, one facilitator factor for expansion of soya was the trade and tariff agreements of the Comunidad Andina de Naciones (CAN)—Andean Community of Nations. It promotes the export of soya to member countries.
development of agriculture particularly in the Expansion Zone, one of the five zones which are the subject of further examination in the following section.

1.2 Expanding the Agricultural Frontier

To move forward in understanding the complex processes described above, it is worth distinguishing the frontier according to different zones of expansion and settlements. The process happened during 1993-2004, when commercial crops spread further around the center (Integrated Zone and Expansion Zone). Combining zoning adopted in various studies with political-administrative divisions, we offer our own adaptation identifying five zones of the agricultural frontier: Integrated Zone (A) that is which pioneers and early people put into production, located around the Santa Cruz city. Expansion Zone (C), which was mentioned above, is located in the eastern side of the Integrated Zone that, by the middle of the 1980s, became the most representative case of soya frontier expansion (Pacheco 2006, Killeen et al 2008). The continuous agricultural growth triggered more extensive farming in Northern Expansion Zone (C) where historical settlement areas such as San Julian are placed. Northern Integrated Zone (D) is another vigorous regional economy located in the north-west area. Finally, Colonization Zone (E) mostly represents those settlement areas of Yapacaní created by INC11 (See table 3.2 and map 3.1).

Table 3.2
Land occupation by actors and five main zones (documented until 2004)

<table>
<thead>
<tr>
<th>Zones</th>
<th>Cruceño farmers (Ha)</th>
<th>Agro Industrialists (Ha)</th>
<th>Andean colonists (Ha)</th>
<th>Mennonite/Japanese colonists (Ha)</th>
<th>Cattle ranchers (Ha)</th>
<th>Forestry (Ha)</th>
<th>Restricted areas/others (Ha)</th>
<th>Total by Zones (Ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Integrated Zone</td>
<td>584.905</td>
<td>45.639</td>
<td>23</td>
<td>192.592</td>
<td>151.101</td>
<td>140.801</td>
<td>22.601</td>
<td>1,137.662</td>
</tr>
<tr>
<td>B Expansion Zone</td>
<td>29.941</td>
<td>530.731</td>
<td>42.648</td>
<td>259.847</td>
<td>964.310</td>
<td>0</td>
<td>257</td>
<td>1,827.736</td>
</tr>
<tr>
<td>C Northern Expansion Zone</td>
<td>7.716</td>
<td>191.821</td>
<td>433.133</td>
<td>13.634</td>
<td>186.282</td>
<td>425.574</td>
<td>525</td>
<td>1,258.684</td>
</tr>
<tr>
<td>D Northern Integrated Zone</td>
<td>374.175</td>
<td>348.711</td>
<td>141.990</td>
<td>4.872</td>
<td>5.228</td>
<td>92.432</td>
<td>208</td>
<td>967.617</td>
</tr>
<tr>
<td>E Colonization Zone</td>
<td>317.824</td>
<td>0</td>
<td>351.725</td>
<td>67.966</td>
<td>69.421</td>
<td>624.311</td>
<td>203.382</td>
<td>1,634.630</td>
</tr>
<tr>
<td>Total by actors</td>
<td>1,314.562</td>
<td>1,116.902</td>
<td>969.519</td>
<td>538.912</td>
<td>1,376.343</td>
<td>1,283.118</td>
<td>226.973</td>
<td>6,826.330</td>
</tr>
<tr>
<td>%</td>
<td>19</td>
<td>16</td>
<td>14</td>
<td>8</td>
<td>20</td>
<td>19</td>
<td>3</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Adapted from Killeen et al. (2008), Pacheco (2006) and INE (2001)

11 The five zones have been defined adapting expansion zones identified by Fifer (1982) and Pacheco (2006) to current municipalities (INE 2001). Classification of actors and their relation with deforestation are adapted from Killeen et al (2008). The Geographical Information System (GIS) about land-use has been disaggregated according these five zones and by types of actors (table 3.2).
By 2004, all five zones were undoubtedly deforested, occupied and put into production. ‘Cruceño farmers’ (traditional landowners), had a clear and dominant control over Integrated Zone (A). They also controlled Zone D and had a significant presence in Zone E. Agro-industrialists (national and foreign investors closely connected to Brazilian agro-industry trade) controlled mainly Zone B, and Zone D was shared with Cruceños farmers. The Cattle ranchers whose genetically improved breeds utilized pastures and native grasslands, were also economically linked to this group. Until 2004, they were placed in Zone B but ranchers had a greater tendency to change land-use for agriculture and move toward new areas on the frontier.

Furthermore, the Colonization Zone, and to some extent the Northern Expansion Zone, were territories controlled by Andean immigrants but not exclusively. This is partly because there were overlapping areas disputed by many actors who surrounded settlement areas established during the 1960s.
Although Andean settlers were already involved in farming ‘subsistence crops’, at this stage, they consolidated their role as producers for the internal food market, when agro-industry began to focus more on flex crops and commodities for export. However, as we see later, this was not the final situation for settlers. Finally, there were other actors, Mennonite and Japanese colonists, who are situated mostly in Expansion Zone and Integrated Zone.

Review of aggregated actors reveals important differences between settlements and large farms. Three main actors together, Cruceño farmers, Agro-industrialists and Cattle ranchers, had control over 55 per cent of the total area taken into account and, excluding forestry and restricted areas, it increased to up to 70 per cent of land dedicated to agriculture and livestock. Even though there is no available up-to-date data, it is reasonable to expect that, at least, this agrarian structure remains unchanged. Forestry, which was much higher beyond these five zones, tended to disappear not only because there were pressures to expand arable lands but also because logging was often an illegal but profitable activity (Pacheco 2006). Mennonite and Japanese colonists were also connected to marketable production but they constituted a differentiated social class from large capitalist farms. Following the table 3.2, they had control over eight per cent of the land and mainly in the Expansion Zone and Integrated Zone. Another group is made up of Andean colonists who occupied over 14 per cent of the land on the frontier around main zones such as San Julian in Northern Expansion Zone and the Yapacani in Colonization Zone. They were highly populated communities exploiting granted land and expanding their cultivated areas. Their slash-and-burn method to deforest land has been criticized for a long time in Bolivia by environmentalists and elite groups, and they were often presented in the media as the leading group who caused deforestation. However, as Killeen et al. (2008: 13), after their in-depth study, concluded that colonists tended to reduce their impact by investing in intensive cropping systems and mechanizations to produce rice, maize, citrus and others.

By the end of this second stage, occupation of the land moved from being ‘unproductive latifundios’ with property rights politically and legally questioned, to effective land occupation by clearing forest for agricultural purposes. At the end of this period, the expansion of the agricultural frontier was a generalized situation in all five zones. The remaining forested areas in the Colonization zone (up to 624 thousand hectares) was not an exception but a Protected Area or National Park of Amboró. Consequently, it is possible to say that during this period, the five zones were widely controlled and put into agricultural production.

1.3 Controlling the Agro-Industrial Chain

In terms of trajectory and dynamics of frontier production there was no significant event to differentiate this third stage (2004-to present) from the previous one. Rather, here the point is to make clear dynamics in capital accumulation, particularly its movement throughout the agro-industrial chain and its relation to labor-intensive agriculture of Andean colonizers.

The question of large farm capitalization and its linkages with transnational investments has been recently discussed as “foreignization,” a phenomenon led primarily by Brazilians and Argentinians (Mackey 2012, Urioste 2011, 2012, Zoomers 2003). In a broad sense, these researchers suggest that a significant
portion of land and agricultural production is controlled by foreigners and profits are most likely repatriated by mechanisms not yet fully understood. Urioste (2012) estimates that half a million hectares of cultivated land and 700 thousand of livestock lands are owned by Brazilians. Perez (2007:93) estimated that probably there were no more than 100 Brazilian producers controlling each one between 3,500-8,000 hectares. The latter estimation is also backed by Mackey (2011), who points out that from 2008-2009 there were 22 Brazilian properties in Integrate Zone and 45 in Cuatro Cañadas (also part of that zone). Based on these outcomes, one possible interpretation is that less than a hundred foreign investors control 1.2 million hectares in Santa Cruz. This is a vast area compared with a total area of around two million hectares of cultivated area in Santa Cruz.

The difficulty to estimate to what extent the frontier land is owned by foreign or transnational capital arises not just from an incomplete or lack of official data such as an agricultural census or land titling results, but because overall, this is about disputed lands where primary production is fundamentally an informal economy regardless of the value produced under capitalist extended relations. Apart from this limitation, a further possibility considered here, is to explore the agro-capital involved in a formal economic sector, it is the agro-industry chain (storage, processing, trade, exportation, marketing) that, at the end, controls the primary production and soybean processing as raw material for export. Below, graphic 3.1 and appendix 1 show information obtained about companies that control the agro-industry economy or ‘value chain’ of oilseeds in Bolivia. In total, five companies (except Bunge established in 2012) control the export of 90% of soya.

**Figure 3.1**
Bolivia: Main agribusiness exporters of soya, 2011 (% share of total)

Excluding Industrias Oleaginosas S.A, five of the six listed companies are owned by transnational agribusinesses, including USA agribusinesses such as ADM and Cargill. Practically all of them began to operate at the end of 1990 through acquisition of local companies in Santa Cruz and using their previous Brazilian and Argentinean subsidiaries to enter the country. Their connections with direct primary production, land ownership, leasing of land and relations with soya producers such as Grupo Monica Norte, El Tejar and other involved directly in land control is not clear (Urioste 2011). They are companies mainly
characterized by activities such as grain purchases, storage, processing facilities, marketing and export. According to evaluations of Pacific Credit Rating PCR (2012), these transnational companies often operate by contract farming where oilseed producers are capitalized and get commercial facilities under conditions to share risks and reach production quotas.

The case of Industrias Oleaginosas S.A. needs a brief additional consideration. Indeed, this is the only important Bolivian agribusiness in oilseeds production, processing and trade. The family Marinkovic, particularly Branko Marinkovic, was an active political opponent of Morales’ government and part of organizers of Cabildo del Millon. He is Bolivian and, according Duspara (2008) also holds Croatian passport. Marinkovic was accused of an armed uprising against the state and consequently, his family abandoned Bolivia in 2012. This company (with ADM SAO S.A. and Industria de Aceites S.A (FINO)) have their origin in large scale Cruceños farms established in Santa Cruz during the cotton boom era, but their economic importance increased substantially during the emergence of oilseeds. Moreover, during the last decade their major shareholders came from transnational companies (see appendix 1).

In this third stage, Andean colonizers, considered small producers, increasingly became soya producers as well. Although there is no precise statistical data, almost all relevant studies support the idea that the majority of soya producers are small producers who are each using less than 50 hectares. Many of them are usually substituting ‘subsistence crops’ production with soya due to better market conditions for oilseeds complex (AEMP 2012, Catacora 2007, Amigos de la Tierra 2007, Alvarez 2005, Medeiros 2008). But, these small producers are not a homogenous body, although Andean colonizers are the notable members playing main roles. Most of them are part of the Asociación Nacional de Productores de Oleaginosas (ANAPO)—National Association of Oilseed Producers and its current head, Demetrio Peréz, comes from Andean colonizers of Santa Cruz dedicated to oilseeds production. However, their massive presence among soya producers as small producers (78%) contrasts drastically with their minimal control over cultivated areas (9%) (See table 3.3).

### Table 3.3
Cultivated area of soya and type of producers in Santa Cruz (2004)

<table>
<thead>
<tr>
<th>Cultivated area (1,000 ha)</th>
<th>Number of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hectares</td>
<td>%</td>
</tr>
<tr>
<td>Largest producers</td>
<td>300,0</td>
</tr>
<tr>
<td>Medium producers</td>
<td>482,6</td>
</tr>
<tr>
<td>Small scale producers</td>
<td>80,0</td>
</tr>
<tr>
<td><strong>862,6</strong></td>
<td><strong>100,0</strong></td>
</tr>
</tbody>
</table>

Source: Adapted from Perez (2007)

Towards the end of the 2000s, small scale producers continued to be involved in oilseed farming for sales mediated by a few agribusinesses installed along the agro-industrial chain. Many structural elements such as dependency from mechanization, imported seeds, chemical fertilizers and credits have ex-
posed this sector to cyclical risks and put them at a disadvantaged position vis-à-vis large scale farming (Castañon 2012, Catacora 2007, Urioste 2011). Given this fragile situation, a more legitimized ANAPO have achieved various governmental support, including preferential tariff agreements (Tratado de Comercio de los Pueblos—TCP) for export to Venezuela, better prices for state purchases, and different types of financial support (Ortiz 2007, Cordova and Jansen 2013). They have also, via ANAPO, increased their capacity of political mediation and advocacy to negotiate agriculture policies with the national government. In addition, intentions of banning seeds and crops containing genetically modified organisms (GMO) have been cancelled due to ANAPO’s advocacy, notwithstanding (Molina 2011).

2. The Role of the State: Political and Legal Struggles

Foweraker (1981: 85) explained in his study about the Brazilian frontier, “the legal history is also political history insofar as it is the result of State initiatives over control of land”. It is applicable for Bolivia, but on the frontier those initiatives are not simple tasks for the state. As Hall (forthcoming 2013: 52) notes, “[i]n frontier zones, states have great difficulty establishing effective governing structures, administering justice, collecting taxes and monitoring local activities”. Thus, consolidation of the state by the rule of law is ultimately a political struggle between state actors interested in control of frontier land, and regional elites and authorities counteracting such intentions.

Struggles have revolved around whether or not frontier lands are ‘unproductive latifundios’12. On the one hand, since 1996 the state has tried to demonstrate that land titles issued by CNRA were acquired illegally and land was not owned for production purposes, but for speculation. One of the main expected outcomes was to distribute frontier land among poor peasants and, in that sense, this agrarian reform initiative was backed up by the majority of the rural population across the country. On the other hand, lowland agrarian elites rejected openly adopting a various set of political actions, initially to neutralize land law implementation, then to demand a high degree of political and economic regional autonomy, and later taking advantage of their key position in the food supply. Three elements need to be considered for understanding the role of the state, its attempts to extend state control, and the resulting outcomes of these political struggles.

First, even though the land law (Law INRA of 1996) explicitly defined that ‘unproductive lands’ are subject of ‘reversion’ regardless of CNRA land titles, its effectiveness and implementation were diminished by complex legal and technical mechanisms. (Hernaiz and Pacheco 2001). Hernaiz (2001: 10) documented how the WB influenced the discussion of the law. According to her, WB had officials actively involved to promote inclusion of their guidelines during the design of the law, and in addition they approved financial support for a land management project signed in 1995 (one year before land law adoption). The WB team exercised explicit pressure to define that the land law would stimulate any possible forms of land market by eliminating legal barriers.

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12 For legal definition see Chapter 2, pp 19
By the same token, lowland elites represented by Confederación Agropecuaria Nacional (CONFEAGRO)—National Agricultural Confederation, demanded protection for private property and that the law must not force redistribution of existing properties (Urioste 2007). These demands were not made explicit in principles and objectives of the land law due to, among other reasons, a huge number of peasant and indigenous organizations which were permanently mobilized. However, ten years later (in 2006), only ten per cent of the all land was titled and re-titled. Different later assessments agreed that numerous procedures and ‘safeguards’ were introduced in implementing regulations in order to impede implementation of the land reform (reglamento de la ley) (Fundación TIERRA 2010, Kay and Urioste 2007, Hernaiz and Pacheco 2001).

Second, these years of delay in land reform were long enough to, namely, arise the intense political struggle between lowland agrarian elites and new state actors led by Evo Morales (2006-onwards). Expanding the economic gap between the fast-growing Santa Cruz and the impoverished highland people (during the peak period of neoliberalism) triggered a radical political contestation “from below,” empowering Morales to face lowland elites and liberalization processes (Harten 2011). In that sense, this is not precisely a situation of state-capital alliances. Agrarian elites reacted by seeking to go deeper into construction of a ‘regional autonomous regime’ and a regional hegemony understood as control of heterogeneous, discontinuous, unequal social classes. Valdivia (2010: 73-77) suggests that representation of them as ‘successful producers’, ‘productive entrepreneurs’ and narratives of capitalist ‘successes’ are matching factors to maintain internal unity and regional power able to control the frontier land. Indigenous Andeans, contemptuously named collas avasalladores (collas invaders), were represented as enemies of Santa Cruz and the central state (the Morales government in particular) was represented as “gobierno de los collas” (collas’ government) (Plata 2008). Hence, the exclusionary nature and violence of this regional movement was explicitly exercised at least until the adoption of a new Political Constitution in 2009.

On the other side, the Morales government carried out a wide range of political actions to strengthen state authority over the frontier. In 2006, the central government modified the land law in order to increase state capacity for land titling, secure ownership of ‘productive lands’ and abolish those ‘unproductive latifundios’ (INRA 2006). This action increased its legitimacy and alliance with numerous social and rural movements (Pacto de Unidad). As a result, core agrarian principles (the Bolivian state is the ultimate land-owner, prohibition of ‘unproductive latifundo’, equal land distribution) were included in the new CPE. However, the resistance of Santa Cruz and its alliance with the other five regional governments forced both parties to negotiate implementation mechanisms. One representative of various examples was the new maximum size of large property for livestock, from 50 thousand hectares to 5 thousand (ten times less) that was approved by Bolivians through a national referendum (referendum dirimitorio). Given that popular mandate, and before final adoption of the new Constitution, they reached a political pact to weaken the impact. First, the state recognizes ‘agricultural enterprises’ with land up to 50 thousand hectares if each partner has less than 5 thousand (CPE, art. 315. i) referred to regulations of oligopolies and monopolies). Second, the size restriction is only valid for future legal properties as follows:
The new limits of zoned agrarian property shall be applied to pieces of land that have been acquired after this Constitution enters into force. For purposes of the non-retroactivity of the Law, the rights of possession and agrarian property are recognized and respected in accordance with the Law (CPE, Art. 399.1, English version).

Third, the conjunction of the rise in energy and food prices in the global market and the high dependency on Santa Cruz for internal food supply was a decisive factor for shaping the nature of the latest political struggles and outcomes. It occurred in the context of the global food crisis from 2007-2008. The Morales government approved an increase of oil prices of 30 per cent, popularly named as \textit{gasolinazo}. The official argument for it was that the growing gap between internal prices and the external market caused high levels of smuggling; therefore, internal energy and food scarcity and more public expenditure to import subsidized diesel (D.S. 748, Dec. 2010). At the same time, the government also approved a grant of US$38.6 million to support food production in order to mitigate negative effects in the food market (D.S. 749, Dec. 2010). Seven days of widespread social protests against such economic policy, price speculation and basic needs storage were more than enough to force the cancelation of this initiative. In the following months, Morales’ efforts to control food prices failed and market rules defined new prices, particularly for crops possible to export and highly controlled by agrarian elites. For instance, comparing prices before and after \textit{gasolinazo} (November 2010 and February 2011), sugar increased up to 90 per cent, rice by 30 per cent, cooking oil by 15 per cent, and bread by 80 per cent (Lorenzo 2011). During the next years (2011-2012), the national government adopted additional measures banning exports of, among others, sugar and cooking oils in order to increase internal supply and for lowering food prices. However, these kinds of measures were undermined, for example, by the changing use of sugar cane from sugar production to ethanol and derivatives.

In legal terms, one substantial and recent outcome is the growing trend of land titling in the Santa Cruz region. INRA (2012) reported that from 1996-2006 the state titled 10.4 million hectares in this region benefiting 188,904 people. It means that 66 per cent of the land titled was consolidated during Morales’ government (2006-2012). Although this data requires a more meticulous analysis, it is worth it to point out two observations. First, it is a prominent difference between the occupied population in the agricultural sector (see table 3.5) and the number of land title holders in the Santa Cruz region (7.125 vs. 188.904)\textsuperscript{13}. It means that legal land holders are more than 26 times in relation to people who work in agriculture. Second, another related issue is the average size of land: only 55 hectares per capita. This contrasts highly with the political struggles of agrarian elites rejecting the new maximum size allowed by law for large properties up to five thousand hectares.

\textsuperscript{13} It should be noted that these numbers correspond to different years (2001 vs. 2012); nevertheless, additional data included in this chapter (section 1) suggest that occupied population tend to decrease.
3. Labor and Exclusion from Frontier Land

The ultimate aim of the land law adopted in 1996 was to recover control over pre-existing ‘unproductive latifundio’ and (re)distribute it among poor peasants and landless rural people. However, outcomes are reaming evidently far from effective transformation of the frontier into state owned land, then creation of settlement areas for Andean migrants and control over deforestation and expansion of commercial farming. In the past (1960s-1970s) ‘non-directed’ or ‘spontaneous’ settlements had been important ways to achieve access to land for poor rural migrants, but there are new conditions under the context marked by ‘flex crops and commodities’. For understanding this dynamic (frontier-highland poor peasants), we focus briefly on elements and evidences about migration and population occupied on both agriculture within the frontier (five zones subject of our analysis) and outside of it.

First, the economic rise of the Santa Cruz region starkly contrasts with the deceleration of internal migration flows from the highland to lowland. Table 3.4 shows that historically the Santa Cruz population grew faster than other regions of Bolivia. During 1950-1976, and in line with internal colonization, the average rate was 7.3 per cent/annually while the rest of Bolivia was growing at an annual rate of 2.7. During the next inter-census period the situation is quite similar and also this is the period when settlement programs were officially closed and when the new commercial era in the frontier was emerging. Furthermore, in the 1970s and 1980s military governments played a central role in land concentration and control by lowland elites.

![Table 3.4](source: Adapted from INE (2001, 2012))

The last two inter-census periods, (1992-2001 and 2001-2012), present not only the declining trend, but the significant reduction in the last years from 5.7 to 2.8 as an annual rate in Santa Cruz population growth. The gap between regional and national data decreased from 2.2 to 0.9 percentage points. Although national population growth declined significantly, the interesting evidence is the magnitude of the gap reduction. These demographic changes related to internal migration flows, in the long-term, are running in the generalized context of urbanization. The initial population growth in the lowland corresponds mainly to rural-rural migration where highland peasants became settlers or colonizers in rural Santa Cruz. Reports from the 1992 census showed that Bolivia is more populated in urban areas and rural migration flows increasingly to-
wards urban areas (INE 1992, 2001). In other words, assuming that the gap is attributed to internal migration, people migrate to urban areas of Santa Cruz rather than to get land on the frontier and other rural areas.

Second, over time less labor force is involved in the agricultural sector and it increased marginally on the frontier during the period of 1992-2001. Because recent data (2012) is still not available and its time limits would extend our analysis, it is important to keep in mind those elements referred to above to assess its current relevance. Table 3.5 shows disaggregated data according to five zones of the frontier and its significance in the regional and national context. An important outcome is that in Bolivia the number of people occupied in the agricultural sector has decreased substantially, mostly because 104,260 people left land in highland region. It is partly compensated by a slight increase in the lowland (13,616 people). It is a revealing piece of information (negative growth) to see that highland rural people (from Rest of Santa Cruz as well) migrated massively to a ‘non-farm economy’. This resulted in the emergence of fast-growing urban areas, for example, El Alto city next to the capital (La Paz), which in a few decades has become one of the largest cities, from less than 30 thousand inhabitants in 1960 to up to 1,2 million in 2001 (INE 2001). They are not permanent migrants but people in precarious situations, in the process of marginalization that (Kay 1994:18) describes as a ‘permanent process of semi-proletarianization’.

### Table 3.5
Increase/decrease in occupied population by economic sectors and regions, 1992-2001

<table>
<thead>
<tr>
<th>Nº</th>
<th>Regions</th>
<th>Change in number of people 1992-2001</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Occupied population</td>
<td>Occupied pop. in Agricultural sector</td>
</tr>
<tr>
<td>1</td>
<td>Bolivia</td>
<td>564,569</td>
<td>-90,644</td>
</tr>
<tr>
<td>1.A</td>
<td>Highland region</td>
<td>279,939</td>
<td>-104,260</td>
</tr>
<tr>
<td>1.B</td>
<td>Lowland region</td>
<td>284,630</td>
<td>13,616</td>
</tr>
<tr>
<td>2</td>
<td>Santa Cruz</td>
<td>243,624</td>
<td>7,125</td>
</tr>
<tr>
<td>2.A</td>
<td>Zones of the frontier:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Integrated Zone</td>
<td>203,911</td>
<td>5,133</td>
</tr>
<tr>
<td>B</td>
<td>Expansion Zone</td>
<td>6,960</td>
<td>2,118</td>
</tr>
<tr>
<td>C</td>
<td>Northern Expansion Zone</td>
<td>3,339</td>
<td>1,148</td>
</tr>
<tr>
<td>D</td>
<td>Colonization Zone</td>
<td>12,598</td>
<td>2,384</td>
</tr>
<tr>
<td>E</td>
<td>Northern Integrated Zone</td>
<td>8,473</td>
<td>4,035</td>
</tr>
<tr>
<td>2.B</td>
<td>Rest of Santa Cruz</td>
<td>8,343</td>
<td>-7,693</td>
</tr>
</tbody>
</table>

Source: Adapted by author from INE (1991, 2001) and GADSC (2013)

Within the five zones of the frontier, the growth of the labor force in agriculture is positive although within a range which varies from one to five thousand. To assess the population increase in the agriculture sector in each zone requires comparing it with the non-agricultural sector. For example, in Integrated Zone (A) it is important to differentiate the great number of people in ‘other sectors’ (198,778) which is due to Santa Cruz city being placed in that area. Aside from this, two cases need to be highlighted. First, there were a large
number of people (81.1 per cent) in a ‘non-farm economy’ within Colonization Zone (D). They are Andean colonizers typically dedicated to labor-intensive farming but; lastly, the agricultural labor force grew less than in other economic sectors. Second, in Northern Integrated Zone (E) near to half of occupied people (47.6 per cent) were farming. This is noteworthy and could be related to factors such as a greater economic dynamism, sugarcane farming that is still labor-intensive and the presence of scattered settlement areas.

Comparing and contrasting the frontier and the rest of Bolivia from a labor perspective exposes that a great number of highland peasants have left their small farms, not to get land on the frontier or to become part of the labor force in the agro-industry sector because the growth of labor occupied in it was barely noticeable. They were expelled from highland farms and excluded from access to frontier land. It has also been made evident that the severe reduction in internal migration flow to lowlands is a structural change and consistent with our finding that land is systematically controlled by agrarian elites and; therefore, in Peters’ words (2013), the fundamental problem is the denial of property and access to land for poor and landless rural people. Their claims for equal land distribution are not powerful as before or in the context of ‘land restitution’. On the frontier, the persistence of small scale farms controlled by Andean colonizers demonstrates that farming, even in small scale, is a viable economic alternative but it is problematic to predict its future because such a task lies beyond the scope of the findings presented here.

So far, we have privileged an examination of empirical evidences by addressing three related issues and introducing preliminary interpretations. These findings are discussed further in the following chapter.

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Chapter 4
Emerging Agrarian Issues: Discussion and Remarks

This study has explored some defining features and dynamics of access and control of land, political struggles and exclusion in the context of the Bolivian frontier—Santa Cruz. Through political economy lens of contemporary land dispossessions, I focused on how public land of the frontier is appropriated for production of oilseeds, the role of the state in it and in what way landless and poor peasants are affected. It has argued that understanding these issues provides explanatory elements for agrarian changes in Bolivia and seeing land appropriation as part of multiple forms of dispossession contributes to studies on conditions under which land, rent or wealth produced by agrarian sector are distributed and accumulated in the contemporary world.

The study demonstrates that on terrains where the state has no convincing authority, land appropriation is a persistent process of turning frontier land into profitable farming, agrarian elite domains and it is embedded in broader capitalist forces and relations. In spite of the state carrying out a wide range of legal and political actions to create possibilities for better land distribution and to strengthen its power over the frontier, only a small group of people linked to regional rulers gain better access to appropriate benefits. In addition, the study has clarified that labor is not required for profitable agriculture on the frontier which is based on capital-intensive farming and it is inherently labor-saving. While this mode of production makes the frontier economically unattractive for potential labor migrants, the resulting economic power becomes political power and both reinforce the regional hegemony and deny access to land for highland peasants.

This chapter provides some interpretations of the findings around three issues: land appropriation and the resulting benefits, the role of the state, and labor and exclusion. I also highlight further implications by stressing connections of these points with subjects discussed earlier in our theoretical framework.

1. How Land Appropriation Works

This study has showed that frontier land is systematically occupied, turned into agricultural production and controlled by agrarian elites able to reproduce their regional hegemony and exercise power to exclude landless and land-poor people. The increasing land appropriation by local elites and investors is possible because, initially, there is a pre-existing source of claim (e.g. previous land titles, occupation) and later the arrival of constant capital flows encourages more intensified and expanded farming. Besides, liberalization policies, preferential export markets, direct and indirect subsidies are some of underlying components to make possible land appropriation on the frontier.

The way of gaining access over land suggests that its exploitation with as few laborers as possible is a great source to acquire surplus and accumulate capital. Leading economic actors are invariably formed by the alliance between
transnational capital and regional agrarian elites. While the latter have access to land, the former made possible expansion of the commercial farming. These land-centered flows of capital fall within the explanation that, under advanced capitalism in crisis, land becomes more valuable than labor and capital accumulation is more imperative than land distribution. It is one of the most persuasive arguments explored in the literature by Harvey (2003) and various studies on agrarian questions (Leiven 2012, Li 2011, Hall et al. 2011, Glassman 2006).

Additionally, it is possible to suggest that there are some key features in common between ‘land appropriation’ presented here and ‘land grabbing’ in general. These are control of large areas by multiple mechanisms, land-use change and commodification of the land. However, a substantial difference remains regarding the scale of transactions and capital involved. The widespread idea is that land grabbing is about large-scale deals but it has been called into question by some critical studies (Borras et al. 2011, White et al 2012, Oya 2013) in the sense that focusing on large land deals as a key defining feature can be misleading. Indeed, there is no evidence that there are no iconic large scale land deals but rather gradual and intense process of appropriation. We can infer from the findings that the capital involved has substantial meaning as long as it is understood within the system of agrarian relations where operates, rather than judging according the number of transactions, hectares and size of investments. Ultimately, the denial of land for rural people only makes sense in relation to capital involved within given national and sub-national levels. Thus, despite the fact that capital invested in Bolivia by transnational agribusiness is marginal, compared with total operations or within regional and global rankings of land deals, at least in part it reshapes conditions in which there is a dramatic decline in small peasant farming and living conditions of the great majority of rural population.

The expansion of ‘flex crops’ production not only in geographical terms but toward small scale farms in settlement areas seems to suggest that a closer and more intense relationship is emerging between such small farmers and agro-industrialists. Shifting farming from food production for the internal market to oilseeds for export certainly creates better conditions in economic terms, although at the expense of higher dependency on market relations. The rise of oilseeds causes a subordinate incorporation and new relationships on the frontier; however, further research is needed for understanding the extent to which soya farming is an inflexion point, and in what direction, for small scale farmers. One reason to be cautious is that previous studies (e.g. Thiele 1995, Poweraker 1981) concluded that settlers resisted displacement on the frontier by collective contestations and consequently changes are shaped all the time but not completed. Today, the point is that the ‘flex crops’ phenomenon seems to establish a permanent global demand for soya and others crops, minimally-processed and exported as raw material which becomes flexible crops and with multiple uses only in hands of importer countries.

2. The Role of the State: Extra-Economic Means and Dilemmas

Our findings are consistent with the idea that mechanisms in which frontier land falls under agrarian elites’ control are political means closely linked, but
not exclusively, to struggles for legitimization of regional hegemony. Meanwhile, the state led by its interest in expanding authority over the frontier, also makes political decisions and actions adopting legal struggles although these are not sufficient to remove the fast-growing capitalist farming. Therefore, land appropriation occurs, above all, by extra-economic means. It was observed that the adoption of a land law or political struggles by regional autonomy respond to the self-interest of actors involved rather than to reach more equal land distribution at national or regional level. By these mechanisms, state actors mediate landless and poor rural peasants’ interests to get land on the frontier. Although this case is certainly not about divorcing people from land by violent means, land appropriation by political means is nothing other than a process of primitive accumulation controlled by agrarian elites because it is not the result of functioning market forces. Thus, as pointed out by Glassman (2006), Levien (2012) and others, ‘extra-economic coercion’ implies political interventions which serve to mobilize further market forces and make capital accumulation possible.

Turning now to the state dilemma in seeking the correct balance between facilitating capital accumulation and maintaining political legitimacy, the Bolivian case is particularly complex and atypical. As explained in the previous chapter, the state has repeatedly tried to rule public land distribution, confront lowland agrarian elites and reduce food supply dependence from agroindustrial sector. These persistence of struggles suggest that there is not an explicit state-agro-capital alliance but, in the final analysis, political legitimacy is increasingly dependent on the paradoxical actions of the state, on the one hand, pushing to gain authority and sovereignty over the frontier, and yet on the other, conceding land and appropriation of the resulting benefits. While the alliance is not needed, the tension is inherent and seems to be a positive scenery for everyone, where the state keeps political legitimacy and agro-capital controls frontier farming. To some extent, it is possible when there are other sources of capital accumulation for the state. For example, in the practice Morales’ government is able to provide economic growth mostly based on revenues of ‘extractive industries’ in the oil sector.

Finally, it is worth noting that capital accumulation in these lawless conditions of the frontier reinforce and reproduce a mode of farming which is functioning over time under more differentiated political, social and institutional arrangements. There is no another reasonable inference that can be concluded from the fact that land titles and other ownership documents are not needed for a functioning land market, leasing agricultural land or other forms of land deals. It means that most likely formal documents in the practice are substituted or replaced by some other ones based on ‘alternative’ social and institutional arrangements. This particular pattern and absence of law could be understood better in Hall’s words (2013: 81) who states that while the frontier remains as such, the “state territorial sovereignty is something that will never be ‘completed’ in practice”.

3. Labor, Exclusion and Denial of Land

Systematic land appropriation on the frontier, recurrent difficulties of the state to gain authority and agrarian elites profiting from those circumstances suggest that the frontier has a great propensity to consolidate a singular geo-
graphical region less connected to national policies and more an exclusionary regional project. Low rates of migratory flows toward lowland region and marginal growth in population engaged in frontier farming are empirical evidences that exclusion of people and the labor force is a key condition to operate successful agricultural production on a large scale. Here, exclusion does not necessarily mean direct expulsions, displacement and dispossession of small producers because expansion at the expense of deforestation and occupation of public lands poorly controlled by national state are rational choices both in economic and political terms. In sum, one of various ways in which the fundamental problem is the denial of land (Peters 2013).

As most people who leave rural areas are from the highland region, we can conclude that land appropriation eliminates possibilities for allocating land for those interested in becoming settlers because farming is no longer possible in their highland communities. Although it is highly complicated to assess the extent of excluded peoples, based on the previous two chapters it is feasible to suggest some broad characteristics. Thus, who expects to get land are peasants involved in subsistence agriculture (full or part-time), some of them are still keeping control over small plots and means of production but inevitably tied up to non-farm economies. Because of their precarious conditions, they are part of the floating population in a permanent process of marginalization and ‘semi-proletarianization’ (Kay 1994:18). However, this study also shows that Andean colonists of settlement zones (e.g. Colonization Zone, Northern Expansion Zone) have differentiated features from highland peasants in spite of their historical and sociocultural linkages. Some of these settlers, namely ‘new peasants’, could be characterized appropriately as petty commodity producers who so far coexist and are closely linked to the rise of Bolivian agro-industry.

As a final point, by combining findings on labor with the others addressed above, we reach the disturbing conclusion that successful capitalist farming on the frontier land is far from being a source of capital accumulation for the Bolivian state and it is not a significant way to attenuate the extreme poverty which affects nearly half of rural population. Appropriation of land and resulting benefits show that although part of agro-industry certainly operates in formal sector, a great part of land deals, leasing contracts and capitalization processes are part of the underground economy. It is not essentially a case where surplus created in agricultural sector is transferred to the national economy and to promote industrialization. From a labor perspective, capital-intensive farming is unable to create employment not because production on large-scale is a rational choice with inherent advantages (e.g. specialization and mechanization) but, as we discussed in the theoretical framework, the underlying premise is to capture and exploit land rather than surplus created by labour (Harvey 2003). As the result, capital-intensive farming represents a barrier which denies access to land for landless peasants and their effective insertion into the economic system as wage laborers. This is certainly a case of contemporary forms of dispossession where, as Li (2011: 296) concluded, “there is no sign that they [landless people] can move into a proletarian future”. Indeed, in the Bolivian situation, there is no noticeable room for the proletarianization of thousands and thousands of people who are leaving their rural communities without any certainty of being wage laborers.

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Conclusion

This study has focused on the increasing appropriation of the frontier land by a small yet powerful group of agro-industrialists who are able to dispute the authority and power of the state. Three main topics have been examined for understanding how public land becomes vast capital-intensive farms, what the roles and responses of the state are and who is dispossessed.

While it is true that the frontier was controlled by non-state actors to a certain degree and even formalized in some cases, the arrival of global demand for agricultural commodities through neoliberal policies (mid-1980s) has been a decisive driving force to turn disputed land into production. A small group of landed elites (landowners and agro-capital) are the greater beneficiaries and, on the contrary, the state failed to achieve distribution of those frontier lands among landless peasants. But this outcome is just one of the puzzling pieces into the balancing act of the state between making efforts to gain sovereignty over the frontier and allowing accumulation, maintaining a state of tension and regulating in function of political legitimacy. I argued that the state and agrarian elites cannot be closer allies because of conflicting interests on the frontier.

Finally, despite the fact that more than six out of every ten hectares of cultivated land are placed in Santa Cruz, there are very few workers involved, either in operating large-scale farms or as settlers in their own land. The vast majority of rural people are systemically excluded and although economic opportunities are very limited across the country, they have no other better option than to shift from agriculture to any other means of earning a living.

By relating to each other these diverse manifestations of the subject of study, I suggested to move from how to why land appropriation happens within contemporary processes of dispossession. In doing this, I referred to concepts and analytical tools which come from literature on accumulation by dispossession, primitive accumulation and land grabbing. All of the above allow me to conclude that appropriation occurs through continuous political struggles (extra-economic coercion), because of the gradual arrival of transnational capital and it responds to conditions delineated by global capitalism in crisis. This is not necessarily the well-known portrait of a few but large-scale land deals, states making foreign capital inflows easier and peasants expelled from their land. Rather, this case seems to be one of the quiet agrarian revolutions where incursion of transnational capital is gradual, underground to some extent, mostly backed up by local elites and even legitimized by small scale farmers who stand up for oilseeds farming. Why should they produce ‘flex crops’ instead of any other commodity? This question has not been truly addressed here and in part because it is determined within industrialized economies where, for instance, soybean meal and crude oil become raw material with multiple uses.

Some implications require our attention. First, further and linked theorization on accumulation, dispossession and land grabbing is needed for better understanding of those current agrarian changes underway in the South. Why land rather than labor, ‘flex crops’ but no agricultural diversification or coercion instead ‘free market’ relations are convergent macro debates which should be explored in-depth both in theoretical terms and on the ground. Second, in
political terms the social and economic contribution of the frontier production requires a careful assessment even beyond the land reform process and changes in access to land. The findings accentuate the notion that it is about ‘extractivist farming’ in the sense that neither the state nor rural population benefit from it. One related implication is that the scenery of tension between the state and agro-industrial sector exposes the agricultural production to political struggles and consequently the domestic food supply remains unstable. Third, in terms of land titling, its outcomes are truly unrealistic in terms of the size of plots and number of title holders in soya producing regions. It seems to be that there is a great tendency toward deliberate and artificial fragmentation of properties to cover the real agrarian structure of the frontier. Lastly, the labor issue is a vast field of study which only received limited attention in our analysis.

Therefore, further research must be done from multidisciplinary approach and connecting with capital-focused studies (e.g. accumulation by dispossession) and land-focused issues (e.g. land grabbing). This could provide a combined framework with which to move ahead.

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## Appendices

### Appendix 1

Agribusiness established in Bolivia in the value chain of oilseed economy

<table>
<thead>
<tr>
<th>Agro-business</th>
<th>Date founded</th>
<th>Main characteristics</th>
<th>Relation with foreign capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gravetal Bolivia S.A</td>
<td>2003</td>
<td>One of the largest soya processors in agroindustry, including production of crude oil and soybean meal. 100% oriented to export. It exports 39% of soya. It represents around 10% of foreign currency income from Bolivian exports (2011) Direct employment generated in Bolivia reached 4,500 positions per year.</td>
<td>Since 2008, 99% owned by Capital Inversoja SA, a transnational company controlled by Colombians and Venezuelans (state capital by a subsidiary of Petróleos de Venezuela-Pdvsa).</td>
</tr>
<tr>
<td>Industria de Aceites S.A (FINO)</td>
<td>1944</td>
<td>Considered the second major soya and sunflower exporter and also produces cooking oil, butter, margarine, soap and other cosmetic products for the internal market. It exports 16% of soya (2011)</td>
<td>74% controlled by Urigeler Internacional S.A.; a transnational company part of Grupo Romero from Perú.</td>
</tr>
<tr>
<td>ADM SAO S.A. (USA)</td>
<td>1923</td>
<td>One of the largest transnational agroindustry companies operating in more than 75 countries sourcing, transportation, storage and processing assets. They also have 13 elevators located throughout the nation’s growing regions. In Bolivia, ADM sells and exports vegetable oils and protein meals from soybeans and sunflower seeds. It started operating in Bolivia in 1998 buying 50% of Bolivian SAO company. ADM exports 14% of Bolivian soya products (2011)</td>
<td>100% transnational company In Brazil, ADM is a major soybean processor, and they originate and sell soybeans, corn, sorghum, fertilizers and chemicals. AMD also operates the nation’s largest biodiesel plant.</td>
</tr>
<tr>
<td>Industrias Oleaginosas S.A.</td>
<td>1967</td>
<td>According to their website (<a href="http://www.iol-sa.com">http://www.iol-sa.com</a>), it is an agribusiness owned 100% by Bolivians. It is an oilseeds processor covering grain purchases, storage and processing facilities and marketing. It exports 11% of soya products (2011) Main external markets are in the ‘Andean Community’, North America and European countries.</td>
<td>Owned by the family Radmila Jovicic (98.88%), They are the family Marinkovic, Croatian immigrants</td>
</tr>
<tr>
<td>Cargill Bolivia S.A. (USA)</td>
<td>1865</td>
<td>Since 1998, this company is operating 15 years in Bolivia. It is a seller of industrial food, exporter of agricultural commodities and also offers financial services. In Bolivia, Cargill has a silo/warehouse to store 27,000 tons and has relations to others in 12 locations. 2012 It exports 9% of soya products (2011).</td>
<td>100% Multinational company. Cargill is an international producer and marketer of food, agricultural, financial and industrial products and services. This company employs 140,000 people in 65 countries. In 2012, they income reached USD 116.000 million.</td>
</tr>
<tr>
<td>Bunge (Global company)</td>
<td>1918</td>
<td>One year in Bolivia. It has already exported soya.</td>
<td>100% Multinational company Based in New York and it operates in more than 40 countries. Its fertilizer firm is valued at 3.800 USD. In 2012 earned 58.700 million USD</td>
</tr>
</tbody>
</table>

Source: Adapted from Pacific Credit Rating PCR (2012), Nueva Economía (2011), AEMP (2012), Jubileo (2013) and respective websites
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