

PROJECTS AND GOVERNMENT PROMISES OF EVO MORALES

Project	Forecasts	Probabilities	Most affected
Nationalisation of Gas and Oil	Evo Morales has started a process from which there is no turning back. He relies on financial and technical support from Hugo Chávez to keep plants in operation.	Governments refusing to compromise on many points may experience problems with gas supply. Foreign companies will cease investing in plants and exploration. Natural gas prices will rise in Brazil, Argentina and Paraguay.	Companies such as Petrobras (Brazil), YPF Repsol (Spain-Argentina), Total (France), British Gas (UK), British Petroleum (UK). Industry sectors such as ceramics, glass, food, and beverage. Automotives relying on natural gas for operation.
Nationalisation of mining fields	The industry most likely to be affected is silver exploration. Gold fields are second in importance. The nationalisation plan is part of a package that includes timber mills, along with gas, oil, and mining industries.	It is likely that in the wake of the “success” of the gas and oil nationalisation, the next step would be targeting foreign companies exploiting the country’s silver. Virtually all companies exploring in Bolivia are getting ready to move to Pakistan.	Companies such as Eaglecrest (Canada), Coeur d’Alene (US), Newmont Mining (US), Barrick Gold Corp. (Canada), Antofagasta PLC (Chile).
Land reform	Part of Evo Morales’s social justice project is to implement all-out land reform. Morales opposes soybean farmers in the country and intends to retake such areas for the people of Bolivia. Most soybean farmers are from Brazil, Argentina, Japan, and the US.	There is great fear among foreigners who own land in the country. The land reform intended by Morales will greatly affect Bolivia’s soybean exports. Venezuela has undertaken to purchase almost 100% of the production.	Most affected will be Brazilian, Japanese, American, and Argentinean owners. There are also a considerable number of Canadian owners. Most cultivate soybeans.
Recovery of access to the sea	The recovery of access to the sea was one of Evo Morales’ main pledges during the electoral campaign. The access was lost to Chile in the Pacific War at the end of the 19 th Century. It is unlikely that Bolivia will recover this area, unless it resorts to the use of force. Chile will not give in, especially because the region is key to the Chilean mining industry.	A military invasion of Chile is not probable, according to Argentinean military analyst Rosendo Fraga, as Bolivia has the weakest army in South America. The greatest likelihood is that Morales will not make any attempts to attack with force, but instead will try to negotiate a corridor with Chile in exchange for free Bolivian gas.	The only party at risk under this scenario is the Chilean government.