

Bolivia

Business



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Background and History It took 16 years to establish the republic, named after Simon Bolivar, the Liberator of Bolivia (Arnade, 7). The future of the region was determined by the assembly in Chuquisaca in 1825, when the overwhelming majority of delegates voted for an independent Upper Peru. Consequently, on August 6, 1825, the independence was declared (Lynch, 197). What followed was one of the most successful periods in Bolivia's history. Under Marshal Andres de Santa Cruz's reign the republic enjoyed both social and economic improvements. Moreover, there were numerous achievements in external policy, one of which was the creation of the Peru-Bolivian Confederation with Peru and Bolivia. However, their neighbors regarded it as a threat and the War of the Confederation broke out followed by a number of smaller wars.

Numerous victories of Santa Cruz's army secured the signing of the Paucarpata Treaty and completed the surrender of Chilean and Peruvian rebel armies. Nonetheless, a new war, in which Santa Cruz was defeated, broke out soon. As a result, Bolivia entered the period of unrest that lasted for more than 50 years. Then, a new war broke out, putting a republic in a state of crisis of its seacoast and nitrate fields. The end of the XIX century saw the return to relative stability, as Bolivia enjoyed the increase of world silver prices. Subsequent prosperity was achieved by tin export.

Notwithstanding export income, the large portion of the population lived in poor conditions. A defeat in yet another war caused the change of the political elite. However, it took nother 16 years and a revolution to change the state of affairs was organized. The Bolivian National Revolution was a

significant event, as it was a first attempt to deal with indigenous-state relations in Bolivia. However, 12 years of disputable reforms were followed by 15 years of military rule implementation. The slow transition to democracy started only in the early 1980s.

In the 1990s, the Plan de Todos was introduced with governance, education and property right reforms among others. Today, Bolivia is a unitary presidential constitutional republic. The current president is Evo Morales, who was re-elected in 2009. On December 2012 Bolivian government is bound to change its ideology to communitarianism (Burbach). ICT projects in Bolivia In 2010 only 20% of all Bolivians had an access to the Internet (TheGlobalEconomy). Latest ITU's report says that " a user in Panama enjoys 10 times as much international Internet bandwidth as a user in Bolivia" (ITU).

But the success of the " National ICT Program for the Education Sector", implemented by Bolivian Ministry of Education, encouraged the creation of a new ICT directorate. One of the ongoing ITC projects in Bolivia is the " Agro-Environmental Production Observatory". The project is based on the successful implementation of The Production and Markets Monitoring System (SISPAM) and a new design of the website for the Ministry of Rural Development. The program aims at publishing information on sanitation, generating incentives for properly managing water resources, monitoring prices inn different markers and production of the most strategic products, etc. The program is expected to have a great impact on the agricultural sector (Newsletter). There are also some external projects.

One of them is called “ ICTs for the construction of democracy in Bolivia” with the total budget of SEK623, 517. According to the information available on the project’s site, “ the topics and the thematic axis of project are about increasing ICT skills, knowledge of human, sexual and reproductive rights, local development, citizen formation, leadership, social control, and defense of the natural resources” (SpiderCenter). E-commerce: The real winner To understand why e-commerce benefits ordinary people one should look at the advantages it provides. Most importantly, it gives one access to goods all over the world. This leads to a freedom of choice and a wide variety of items.

E-commerce is also an easy, quick and relatively safe way to trade items with people, regardless of their location. Thanks to it, merchants enjoy lower costs, as there is no need in additional personnel and there are easier ways to advertise their products. At the same time, buyers can find the items they need and compare them in order to get the best ones. All in all, e-commerce is the gateway to the world which will massively benefit ordinary Bolivians. But it should be noted that, just like in other developing countries, there are issues in Bolivia, such as availability of Internet access, lack of awareness and so on, that need to be resolved for e-commerce to properly take off (El Gawady).