

The Socialist Win in Bolivia and the New Era of Lithium Extraction

An apparent victory for Evo Morales's Movement Toward Socialism shows that tomorrow's green energy won't look much like the old oil empires.

Just under a year after Evo Morales's government was ousted by U.S.-backed far-right forces, his Movement Toward Socialism, or MAS, party looks almost certain to take back power after Sunday's election. Morales, the country's first Indigenous president, remains in exile in Argentina. His election in 2019 remains hotly debated: While the Electoral Observation Mission of the Organization of American States challenged the result due to a gap between preliminary and final results, subsequent analyses have argued that the gap was explainable and legitimate and that the OAS assessment was "flawed" and highly political. Now, with an estimated 52.4 percent of the vote, Morales's former finance minister, Luis Arce, is on track to become the country's new leader after a deadly year of racist state repression under interim President Jeanine Añez Chávez.

Bolivia's tumultuous past year also features a powdery white subplot with worldwide implications. Not long after being forced out of the country, Morales and many of his supporters argued that he was ousted in part as a response to his attempts to nationalize the country's lithium—a mineral used in batteries that power various clean energy technologies, including electric cars. "My crime, my sin, is to be an Indian," he told American journalist Glenn Greenwald in an interview, "and to have nationalized our natural resources, removed the transnational

corporations from the hydrocarbon sector and mining.” Morales had hoped that state-owned Yacimientos de Litio Boliviano, or YLB, would be able not just to mine lithium but refine it into lithium hydroxide and other compounds used in battery manufacturing. Tesla executive Elon Musk—whose renewables empire sources lithium mostly from Australia, not Bolivia—added to theories about a potential lithium coup this summer by tweeting, “We will coup whoever we want! Deal with it.”

While CIA documents 30 years on will certainly prove otherwise, there is much evidence as of now to suggest that Musk or other U.S. clean energy titans were actually involved in the plot to overthrow Morales’s government. For one, political scientist and Resource Radicals author Thea Riofrancos explains, lithium isn’t scarce, and supplies of it weren’t being cut off from foreign investors. “Although Morales was pushed out in a coup, it wasn’t because of lithium. There was no real obstacle facing capital investment in Bolivia, and Morales had never been opposed to that,” she told me. Arce’s platform on lithium is broadly similar to Morales’s, including the creation of some 130,000 jobs, with an openness to working with foreign companies. But the fact that people are talking about a “lithium coup” at all could preview a new era of extractive geopolitics.

Given its history of dealing with resource wealth abroad, it’s not irrational to think the United States might leverage its foreign intelligence apparatus to corner the lithium market. The modern fossil fuel economy was built in no small part on imperial might, including that of the U.S., which backed myriad challenges to governments that tried to nationalize their resources both in Latin America and around the world. CIA meddling in foreign governments has been one of the many forms of invaluable

state support offered to extractive industries, including tax breaks and cheap leases. There are plenty of ways in which minerals needed for clean energy development could be bound up in the same sort of rank extractive politics that have defined the fossil fuel economy, and in some ways already are; it's why groups like Amnesty International have raised alarm bells about labor abuses in mineral mining, and called for the creation of an "ethical battery."

There are some important specifics, however, that distinguish clean energy supply chains from those created around fossil fuels. Lithium isn't nearly as geographically concentrated, for one. And it isn't currently scarce. But the International Energy Agency projects lithium production will grow twice as fast in lower-emissions scenarios as a result of policies to scale up the production and use of cars and clean energy. "The fact that it's abundant doesn't tell you very much about how quickly that lithium can get to market and become an input in another industrial process. What's scarce is not lithium in the earth's crust. It's financing for lithium projects that will quickly produce battery-grade lithium chemicals," Riofrancos said.

For now, the technology minerals critical to clean energy production—like nickel and cobalt—are mined largely by non-U.S. companies, with China producing an estimated 80 percent of so-called rare-earth minerals overall, according to the U.S. Geological Service. The threat of being outcompeted has led U.S. politicians on both sides of the aisle to revive calls for "energy independence" reminiscent of the rhetoric that sprang up during the 1970s oil crisis.

Trump hopes to get an edge over China on critical minerals. And

while he hasn't said much about lithium yet, Joe Biden's "Build Back Better" plan features a prodigious expansion of "American Made" electric vehicle production that would entail massively scaling up U.S. consumption of technology metals. Democrats have also put forward proposals to increase mineral recycling, which could greatly dampen clean energy's extractive footprint. Developing U.S. lithium and minerals recycling and extractive capacity could be good, as long as it doesn't come at the cost of international collaboration. "Trying to do it all yourself," Riofrancos said, "isn't actually efficient to get the technology scaled, and creates a lot of parallel tracks of countries trying to develop the same resources."

Even if the coup MAS fought back may not have been rooted in lithium, the exit polling in Bolivia this week gave a new and enthusiastic mandate to developing lithium reserves in the public interest, not narrowly for corporate gain. Attempts to recreate old oil industry dynamics with clean energy resources won't go unchallenged.