

COUNTRY READINESS ASSESSMENT 05

Bolivia: Institutional Readiness, Critical Minerals Security and Economic Realignment

A 50-year readiness architecture for a lithium-anchored hemispheric partnership

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About this series. The Western Hemisphere Readiness Series applies the HRS Readiness Cycle and Strategic Dependency Test to country, sector and regional systems. CRA 05 integrates SRA 01–10 into a Bolivia-level system-of-systems assessment.

EXECUTIVE SUMMARY

Bolivia: Institutional Readiness, Critical Minerals Security and Economic Realignment

Bolivia enters the final quarter of 2026 in the midst of a genuine but contested realignment. President Rodrigo Paz, inaugurated on 8 November 2025, ended nearly two decades of Movimiento al Socialismo (MAS) governance, restored diplomatic relations with the United States after an 18-year rupture, and has pursued market-oriented reforms across the hydrocarbons, mining and lithium sectors. [1][2] The transition has not been smooth: Bolivia entered 2026 with inflation above 20% — its highest level in nearly 40 years — alongside fuel and dollar shortages, and the Paz government declared a state of emergency in mid-2026 after more than seven weeks of road blockades and protests by MAS-aligned sectors demanding his resignation, during which Bolivia's defense and education ministers resigned and at least one death was reported in clashes between security forces and demonstrators. [3][4][5]

Bolivia holds approximately 23 million metric tons of identified lithium resources, concentrated in the Salar de Uyuni, placing it among the world's largest identified lithium resource bases. Current extraction remains a fraction of commercial scale, however: state-owned YLB produced roughly 2,000 metric tons in 2024, generating approximately US\$15.6 million, compared to Chile's near 300,000 tons and Argentina's 70,000 tons in the same period. [6] The Paz government has pledged to honor existing lithium and hydrocarbons contracts with Chinese and Russian counterparts while pursuing "surgical" legal and tax reforms — rather than a full repeal of the state-monopoly extraction law — to attract new investment. [7][8] On 15 September 2026, the United States determined that Bolivia, along with Colombia, Afghanistan and Burma, had failed demonstrably during the preceding 12 months to meet specified counternarcotics obligations. [9]

CENTRAL HRS PROPOSITION

Lithium and critical-minerals development are a potential financing and diplomatic anchor for Bolivia's economic realignment, not a substitute for the institutional stability, legal certainty and social cohesion that durable investment requires. A resource endowment without resolved legal frameworks and social consent produces announcements, not production.

PURPOSE AND SCOPE

Purpose and Scope

Country Readiness Assessment 05 extends the Western Hemisphere Readiness Series from Brazil (CRA 01), Venezuela (CRA 02), Cuba (CRA 03) and Colombia (CRA 04) to Bolivia. It applies the HRS Readiness Cycle to Bolivia and integrates the ten Sector Readiness Assessments into a single system-of-systems framework, consistent with the methodology used throughout the series.

The assessment uses public information available through 23 September 2026. Statements about U.S. and Bolivian government policy are identified as government positions; company statements are treated as representations rather than independent verification. The assessment does not endorse a political party, candidate, or electoral outcome, and takes no position on Bolivia's internal political disputes.

The intended audience includes U.S. institutions, international organizations, private-sector actors evaluating Bolivia entry, and Bolivian public and private institutions. The document is a strategic research reference for economic-realignment planning, sovereign-to-sovereign engagement, infrastructure investment, and long-horizon institutional capacity building; project-level decisions require current technical, legal, environmental, financial and security diligence.

CURRENT GOVERNANCE AND POLITICAL CONTEXT

Current Governance and Political Context

Rodrigo Paz Pereira, a centrist Christian Democratic senator and son of former President Jaime Paz Zamora, won Bolivia's presidency in an October 2025 runoff with 54.5% of the vote, defeating conservative candidate Jorge "Tuto" Quiroga and ending 20 years of MAS rule. [2] His government restored diplomatic relations with Washington — broken since 2008 — and has pursued economic stabilization, spending cuts, and investor-confidence measures. [1][10]

Bolivia's transition has been contested internally. Beginning in mid-2026, MAS-aligned campesino and labor sectors, reportedly linked to supporters of former President Evo Morales, sustained more than seven weeks of road blockades demanding Paz's resignation, citing the economic crisis and fuel-quality problems. The government declared a state of emergency, deployed military and police to clear blockaded routes, and reported the resignations of the defense and education ministers alongside at least one fatality in related clashes; a negotiated agreement with the Central Obrera Boliviana subsequently reduced tensions, though the underlying economic pressures remain. [3][4][5] Former President Luis Arce was reported in September 2026 to have been released from La Paz's San Pedro prison for hospital treatment; this assessment does not characterize the legal basis or status of that matter, which remains a Bolivian judicial question. [11]

The Paz government's foreign-policy realignment has extended beyond the Western Hemisphere. In April 2026, Bolivia's Defense Ministry confirmed it had terminated a July 2023 military-cooperation memorandum with Iran signed under the Arce administration — an agreement that had drawn concern from neighboring Argentina and covered border-surveillance technology, personnel training, and reported Bolivian interest in Iranian drones. [14][15] Bolivia has also restored diplomatic relations with Israel, announced the return of U.S. Drug Enforcement Administration personnel expelled by the Morales government in 2008, and President Paz attended the March 2026 Shield of the Americas summit at Trump National Doral alongside eleven other regional heads of state. [16] Amid the mid-2026 blockades described below, the Shield of the Americas coalition — publishing jointly with the U.S. State Department on 5 June 2026 — declared its support for "Paz's democratic government" against what it characterized as "efforts to overthrow" it, explicitly linking the blockades to disruption of food and medicine delivery; this assessment presents that characterization as an attributed coalition statement, not an independent HRS finding on the blockades' aims. [17]

Material to readiness planning: This assessment treats Bolivia's diplomatic and economic realignment with the United States, and its internal political contestation, as concurrent, documented facts — not as a resolved or permanent condition. This report does not take a position on the political merits of the current administration, the preceding administration, or the underlying policy disputes described above.

01 · BOLIVIA 2026 BASELINE

A Country at a Realignment Inflection Point

Bolivia's baseline combines a severe macroeconomic crisis, a genuine pivot toward Western investment and diplomatic partners, and unresolved internal political contestation. Inflation exceeded 20% in 2025 — the highest level in nearly four decades — driven in part by fuel and dollar shortages that trace to two decades of state-controlled hydrocarbons and mining policy under MAS governments. [3] Energy Minister Mauricio Medinaceli has pledged to honor existing energy and lithium contracts with Chinese and Russian counterparts while pursuing new, investor-friendly frameworks, describing the approach as necessary "to put food on the table" regardless of ideology. [7]

Bolivia's lithium endowment — concentrated in the Salar de Uyuni, the world's largest salt flat — remains largely untapped: state-owned YLB's 2024 production of roughly 2,000 metric tons represented a small fraction of Chilean and Argentine output from comparable brine deposits, constrained by high-magnesium brine chemistry and a legal framework reserving extraction to the state. [6] Bolivia is landlocked, a structural logistics constraint since its loss of Pacific coastline in the War of the Pacific (1879–1884), reflected in President Paz's own public offer of Bolivian "ports" (river and lake access) to connect Chile with Brazil. [12]

BASELINE CONCLUSION

Bolivia's readiness priority is to convert diplomatic realignment and lithium potential into resolved legal frameworks, functioning logistics, and negotiated social consent — before the current window of investor interest closes.

02 • THE 2026 UNREST

The 2026 Unrest as a National Readiness Test

The mid-2026 blockades exposed the dependency of Bolivia's economy on a small number of highland transport corridors, and the fragility of governance consent during a period of acute economic pain. Seven-plus weeks of sustained road blockades by campesino and labor sectors constrained fuel, food and commercial transport nationwide before a negotiated de-escalation with the Central Obrera Boliviana. [4][5]

System	Primary Dependency	Cascading Effect	Readiness Response
Transport corridors	A limited number of highland roads linking La Paz, Cochabamba and Santa Cruz	Nationwide fuel, food and commercial paralysis during blockades	Corridor redundancy; contingency logistics planning
Fuel supply	Imported diesel and gasoline, historically including Russian supply	Price shocks and quality problems (contributing to 2026 protests)	Diversified fuel sourcing; refining investment
Social consent	Negotiated settlements with labor and campesino federations	Governability risk during economic adjustment	Structured social dialogue; phased reform sequencing
Security institutions	Military and police capacity for lawful order maintenance	Casualty risk and legitimacy strain during enforcement	Professionalized, accountable civil security capacity

READINESS PRINCIPLE

Economic liberalization sequenced without negotiated social buy-in generates the governability risk that then threatens the reforms themselves. Sequencing and social dialogue are readiness investments, not delays.

03 • HRS METHOD

Bolivia as a System of Systems

The HRS Readiness Cycle — Detect, Assess, Decide, Coordinate, Deploy, Sustain, Learn — is applied to Bolivia across economic stabilization, lithium-sector legal reform, and social-cohesion tracks simultaneously, since instability in any one can undermine progress in the others.

HRS Function	Bolivia Application
Detect	Identify fiscal, social and legal-reform risk indicators early.
Assess	Fuse economic, social and mineral-sector information into a common operating picture.
Decide	Define sequencing and authorities for reform, investment and social dialogue.
Coordinate	Connect national government, departmental authorities, labor federations and international partners.
Deploy	Move capital, technical assistance and diplomatic engagement to priority reforms.
Sustain	Maintain reform momentum and social consent through economic adjustment.
Learn	Convert the 2026 unrest and early lithium-reform experience into durable governance practice.

The HRS Strategic Dependency Test asks whether any single foreign partner, technology, or extraction methodology could constrain Bolivian decision rights over its lithium resource — a live question given the coexistence of Chinese, Russian and prospective Western technical partners.

04 • LITHIUM AND CRITICAL MINERALS

A Realignment Engine — Not a Substitute for Institutional Reform

Bolivia's lithium resource is real and internationally significant, but the path from resource to revenue runs through unresolved legal and technical questions. The state-monopoly extraction law would require constitutional reform to change, a step President Paz had not committed to as of late 2025; the government has instead pursued "surgical" targeted reforms — legal certainty, tax incentives, streamlined administration — for lithium, silver and tin rather than a full legal overhaul. [7][8] Direct lithium extraction (DLE) technology, better suited to Uyuni's high-magnesium brines than traditional evaporation ponds, remains commercially unproven at scale in Bolivia despite active patent filings by prospective technology partners. [13]

Layer	2027–2035 Readiness Objective	National Effect
Legal framework	Resolve extraction-law reform question (constitutional or statutory)	Investment-grade legal certainty
Technology	Validate DLE and alternative extraction methods for high-Mg brines	Commercial-scale production feasibility
Contracts	Transparent review of existing China/Russia agreements	Investor confidence without contract repudiation
Logistics	Landlocked export-corridor development (Chile, Peru, Brazil access)	Reduced export bottleneck risk
Social consent	Negotiated mining-cooperative and community agreements	Reduced blockade and governability risk

PREFERRED CONVERSION CHAIN

Legal Certainty → Technology Validation → Financed Production → Export Logistics → Revenue → Institutional Capacity → Diversification. The alternative – announcements and MOUs without legal and technical resolution – risks repeating two decades of stalled lithium development.

05 • STRATEGIC DEPENDENCY MAP

Bolivia's Critical Capability Network

Capability	Critical Inputs	Failure Consequence	Readiness Response
Lithium & minerals	Legal certainty, extraction technology, financing, export logistics	Continued stalled development, missed market window	Legal reform; technology validation; export-corridor development
Hydrocarbons	Domestic gas production, imported diesel/gasoline	Fuel shortages, price shocks, social unrest	Diversified sourcing; refining investment; contract transparency
Transport	Limited highland road corridors; landlocked export access	Nationwide paralysis during blockades; export bottlenecks	Corridor redundancy; regional port-access agreements
Social cohesion	Negotiated consent from labor and campesino federations	Blockades, emergency measures, governability crisis	Structured dialogue; phased, transparent reform
Fiscal & monetary	Foreign-currency reserves, inflation control	Continued dollar shortages, eroded purchasing power	Macroeconomic stabilization; diversified export revenue
Security & rule of law	Accountable civil security; judicial independence	Legitimacy erosion; investor risk perception	Professionalized security; transparent judicial process
Governance	Decision rights, contract transparency, investment screening	Investor distrust; policy reversal risk	Transparent, durable legal and regulatory frameworks

06 · SRA 01

Telecommunications & Digital Infrastructure

Bolivia implementation objective: build resilient civilian communications capable of functioning during blockades and social unrest, when transport and physical logistics are constrained but information continuity remains essential.

Bolivia implementation — priority actions

- Map network dependencies on highland transport corridors for maintenance and fuel access.
- Protect telecom sites with resilient, non-grid-dependent power.
- Apply trusted-supplier standards to new digital-infrastructure investment.
- Establish emergency communications pathways independent of blockade-affected corridors.
- Strengthen local repair capability in geographically isolated regions.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Blockade-resilient network mapping → protected power → trusted-supplier procurement → emergency communications → resilient national backbone.

07 · SRA 02

Data Centers, Cloud & AI Infrastructure

Bolivia implementation objective: build baseline digital continuity and geological/mining-sector data capacity to support lithium-sector investment decisions.

Bolivia implementation — priority actions

- Identify critical government, mining-sector and financial data sets.
- Build backup and disaster-recovery capacity independent of single highland facilities.
- Apply trusted-supplier standards to new data-center investment.
- Develop domestic technical capacity for mining-sector data analysis.
- Use AI applications for brine-chemistry and geological analysis under defined governance.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Critical-data inventory → backup and recovery → trusted-supplier procurement → mining-sector data capacity → selective AI applications.

08 · SRA 03

Critical Minerals & Strategic Materials

Bolivia implementation objective: resolve the legal and technical questions that have stalled lithium development for two decades, converting resource potential into financeable, producible projects.

Bolivia implementation — priority actions

- Resolve the state-monopoly extraction law question through transparent legislative or constitutional process.
- Validate direct lithium extraction (DLE) technology for Uyuni's high-magnesium brines at pilot scale before commercial commitment.
- Conduct transparent review of existing Chinese and Russian lithium and hydrocarbons contracts.
- Develop landlocked export-corridor agreements with Chile, Peru or Brazil.
- Negotiate mining-cooperative and community consent frameworks before project approval.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Legal-framework resolution → pilot-scale technology validation → contract transparency → export-corridor agreements → commercial-scale production.

09 · SRA 04

Rare Earths & Mineral Security

Bolivia implementation objective: Bolivia's mineral endowment extends beyond lithium to silver, tin, zinc, gold and potential rare-earth occurrences; the government has signaled interest in broader mineral-sector investment.

Bolivia implementation — priority actions

- Validate rare-earth and broader mineral geological data.
- Distinguish confirmed reserves from exploratory potential in public communications.
- Extend the "surgical reform" legal-certainty approach to silver, tin and other strategic minerals, consistent with Mining Ministry statements. [8]
- Avoid single-buyer dependency across the mineral portfolio.
- Maintain Bolivian decision rights over long-term mineral policy.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Data validation → legal-certainty extension → diversified offtake → sovereign long-term policy.

10 • SRA 05

Energy & Strategic Power Infrastructure

Bolivia implementation objective: reduce dependence on imported diesel and gasoline — a direct driver of 2026 social unrest — while maintaining transparent treatment of existing energy contracts.

Bolivia implementation — priority actions

- Diversify fuel-import sourcing to reduce quality and price-shock risk.
- Invest in domestic refining capacity.
- Conduct transparent review of existing hydrocarbons contracts with Chinese and Russian counterparts.
- Evaluate distributed and renewable generation to reduce fuel-import dependence.
- Sequence energy-subsidy reform with social-dialogue safeguards, informed by the 2026 unrest.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Diversified fuel sourcing → contract transparency → refining investment → generation diversification → subsidy-reform sequencing with social dialogue.

11 · SRA 06

Ports, Logistics & Maritime Infrastructure

Bolivia implementation objective: as a landlocked country, Bolivia's lithium and mineral-export ambitions depend entirely on transit agreements with neighboring coastal states.

Bolivia implementation — priority actions

- Negotiate durable transit and port-access agreements with Chile, Peru and/or Brazil.
- Protect highland transport-corridor resilience against blockade disruption.
- Digitize customs and cargo visibility for mineral exports.
- Develop river-access logistics (as referenced in President Paz's own regional-connectivity proposals). [12]
- Maintain alternate export routes to avoid single-corridor dependency.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Transit-agreement negotiation → corridor resilience → customs digitization → river-access development → diversified export logistics.

12 · SRA 07

Food Security & Strategic Agricultural Resilience

Bolivia implementation objective: food and fuel shortages were direct contributors to 2026 unrest; agricultural resilience is inseparable from transport-corridor and fuel-supply stability.

Bolivia implementation — priority actions

- Reduce agricultural dependence on blockade-vulnerable transport corridors.
- Diversify fertilizer and agricultural-input sourcing.
- Expand storage capacity to buffer against transport disruption.
- Support smallholder and cooperative agricultural value chains, consistent with rural social-consent priorities.
- Coordinate food-security investment with fuel-diversification and transport-resilience tracks.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Corridor-independent distribution → input diversification → storage capacity → smallholder value chains → resilient food system.

13 · SRA 08

Pharmaceutical & Medical Supply Chains

Bolivia implementation objective: medical logistics were constrained during the 2026 blockades; durable health-supply resilience requires independence from single transport corridors.

Bolivia implementation — priority actions

- Establish regional medical stockpoints independent of highland corridor access.
- Strengthen cold-chain resilience for La Paz, Cochabamba and Santa Cruz.
- Diversify medical-device and medicine suppliers.
- Build local repair capacity for medical equipment.
- Integrate health-supply continuity planning with transport-corridor contingency plans.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Regional stockpoints → cold-chain resilience → supplier diversification → local repair capacity → integrated continuity planning.

14 • SRA 09

Advanced Manufacturing & Industrial Capacity

Bolivia implementation objective: lithium-sector development requires domestic technical and industrial capacity for equipment maintenance, processing, and eventually battery-value-chain participation.

Bolivia implementation — priority actions

- Identify industrial bottlenecks around mining, energy and transport equipment.
- Develop technical training linked to lithium-extraction and processing technology.
- Prioritize repair and maintenance capacity for mining and energy equipment.
- Evaluate downstream lithium-value-chain opportunities (processing, battery components) as production scales.
- Measure industrial resilience by recovery time and substitution options, not announcement volume.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: Repair capability → technical training → equipment maintenance capacity → downstream value-chain evaluation → diversified industrial base.

15 • SRA 10

Western Hemisphere Strategic Infrastructure & Resilience

SRA 10 is the integration layer, converting the ten sector assessments into a Bolivia-level dependency architecture.

Bolivia implementation — priority actions

- Maintain a national System Dependency Register spanning lithium legal reform, fuel diversification, and social-cohesion tracks.
- Run Scenario Stress Tests for compound blockade-plus-fuel-shortage disruption.
- Use Readiness-to-Investment Assessments for major lithium and mineral projects.
- Specify decision rights, recovery time and alternate suppliers for every major project.
- Coordinate with regional partners on export-corridor and Shield of the Americas Economic Pillar alignment.

HRS TEST

For every major project, identify concentration, substitutability, control, recovery time and cascading impact. A second supplier or facility is effective redundancy only when both are not dependent on the same upstream failure point.

Implementation sequence: National dependency register → scenario stress testing → readiness-to-investment assessments → regional coordination → integrated long-horizon resilience.

16 • LITHIUM-TO-DIVERSIFICATION

A National Conversion Architecture

The realignment model treats lithium and critical-minerals development as one financing and diplomatic anchor within a wider capability program, not as economic transformation itself.

Stage	Core Action	Readiness Result
1. Measure	Lithium reserve certification; economic and social-risk baseline	Public baseline and auditability
2. Stabilize	Fuel diversification; social dialogue; inflation control	Reduced governability risk
3. Rebuild	Legal certainty for extraction; transit-corridor agreements	Investment-grade conditions
4. Industrialize	Pilot-scale technology validation; technical workforce	Domestic capability
5. Diversify	Broader mineral portfolio; agriculture; manufacturing	Lower concentration
6. Institutionalize	Transparent contracts, procurement, regulatory standards	Continuity across governments
7. Adapt	Technology renewal, market shifts, demographic change	2076 resilience

HRS ALLOCATION PRINCIPLE

Lithium revenue, if and when realized, should be structured so proceeds are not absorbed by recurrent expenditure alone. The legal and fiscal mechanism is a matter for Bolivian sovereign institutions and their authorized advisors.

17 • SOCIAL COHESION

Social Cohesion, Labor Relations & Human Capital

The 2026 unrest demonstrated that Bolivia’s labor and campesino federations retain substantial capacity to constrain government action through coordinated blockades. Durable reform requires negotiated consent, not only technical or legal correctness.

Priority	Readiness Action	Expected Capability
Social dialogue	Structured, sustained engagement with COB and mining-cooperative federations	Reduced blockade and governability risk
Reform sequencing	Phase subsidy and legal reforms with visible near-term benefits	Sustained public consent for reform
Workforce	Technical training linked to lithium and mineral-sector demand	Domestic workforce depth
Regional equity	Ensure mineral-revenue benefits reach producing regions and cooperatives	Reduced local-opposition risk

HRS SOCIAL READINESS METRIC

Whether reform sequencing sustains negotiated social consent through the multi-year period required for lithium-sector legal and technical resolution.

18 • SECURITY, RULE OF LAW

Security, Rule of Law & Institutional Resilience

Bolivia's September 2026 inclusion, alongside Colombia, on the U.S. list of countries determined to have failed demonstrably to meet specified counternarcotics obligations during the preceding 12 months reflects a documented U.S. government determination; this assessment does not adjudicate its accuracy or fairness. [9]

A significant driver of this determination is transnational organized crime operating on Bolivian territory. In August 2026, a territorial conflict between Brazil's Primeiro Comando da Capital (PCC) and Comando Vermelho — the two organizations competing for control of cocaine-trafficking corridors through Bolivia toward Brazil — produced nine deaths over five days in the Santa Cruz border region near San Matías, including a Bolivian police officer; the Bolivian government publicly attributed the violence to the two Brazilian organizations "disputing territory of our homeland." [18] The United States designated the PCC a Foreign Terrorist Organization on 28–29 May 2026. [20] Bolivian authorities have also identified the presence of Mexico's Sinaloa and Jalisco Nueva Generación cartels, a Paraguayan trafficking network, and Colombian-linked groups operating within Bolivia's cocaine-export economy, alongside the December 2025–May 2026 capture or expulsion of five PCC- and Comando Vermelho-linked figures, including an individual connected to previously captured Uruguayan trafficker Sebastián Marset. [19][21] Bolivian officials reported 17 traffickers expelled, approximately 283 tons of drugs seized, 58 light aircraft and 10 clandestine airstrips destroyed, and 370 properties confiscated in enforcement actions during the six months preceding August 2026. [18]

Capability	Readiness Investment	Potential Effect
Civil security	Professionalized, accountable police and military capacity	Reduced casualty risk during civil-order operations
Border security	Coordinated response to PCC/Comando Vermelho corridor conflict on the Brazil border	Reduced trafficking-related violence in Santa Cruz department
Judicial independence	Transparent judicial process, including for high-profile matters	Investor confidence in rule of law
Counternarcotics	Institutional capacity aligned with international obligations	Improved standing in future U.S. determinations
Financial integrity	Transparent contract and procurement review	Reduced illicit-finance and corruption exposure

HRS PROPOSITION

Economic realignment and rule-of-law institutional capacity should develop together. Investment attracted by diplomatic realignment alone, without matching institutional depth and border-security capacity, is more vulnerable to reversal and to the cascading effects of transnational organized-crime activity.

19 • U.S.-BOLIVIA COOPERATION

A Readiness-Based Cooperation Framework

The restoration of diplomatic relations after an 18-year rupture, and the Paz government's stated openness to Western investment, establish the current cooperation architecture — still substantially less developed than the signed frameworks in place for Colombia. [1][10]

Domain	Illustrative Readiness Objective	Authority / Accountability
Lithium & minerals	Legal certainty → technology validation → financed production	Bolivian and prospective U.S./partner economic authorities
Energy	Fuel diversification → refining investment → contract transparency	Bolivian energy authorities
Logistics	Transit-corridor agreements with coastal neighbors	Bolivian and neighboring-state authorities
Security	Counternarcotics institutional capacity-building	Bolivian and U.S. security authorities
Diplomatic	Continued normalization following the 2025 restoration of relations	Bolivian and U.S. foreign-affairs authorities

COOPERATION PRINCIPLE

Build systems that remain useful if an administration changes, a commodity cycle turns, or a diplomatic relationship evolves.

20 · 2027–2030

Stabilization & Legal Certainty

Objective: resolve the lithium legal framework, stabilize fuel supply, and sustain negotiated social consent.

Priority portfolio

- Lithium extraction-law resolution
- Pilot-scale DLE technology validation
- Diversified fuel sourcing and refining investment
- Structured social dialogue with labor and campesino federations
- Initial transit-corridor agreements

HRS LONG-HORIZON TEST

Reform should be traceable to measurable legal, technical and social outcomes, not announcement volume.

21 · 2031–2035

Productive Recovery

Objective: move from legal resolution to commercial-scale lithium and mineral production.

Priority portfolio

- Commercial-scale lithium production
- Diversified mineral portfolio (silver, tin, zinc)
- Domestic technical workforce for mining and processing
- Established export-corridor logistics
- Reduced fuel-import dependence

HRS LONG-HORIZON TEST

The central transition is from resource potential to the domestic capability to extract, process and export it reliably.

22 · 2036–2050

Diversification

Objective: reduce structural dependence on any single mineral, export corridor, or foreign partner.

Priority portfolio

- Diversified mineral export markets and downstream value-chain participation
- Multiple transit-corridor options
- Expanded agricultural and manufacturing sectors
- Durable, institutionalized social-dialogue mechanisms
- Multiple international economic partnerships

HRS LONG-HORIZON TEST

A resilient Bolivian system should continue functioning if one export partner's priorities shift, a mineral price falls, or a transit agreement is renegotiated.

23 · 2051–2065

Renewal

Objective: replace first-generation post-2027 extraction and export infrastructure before systemic failure.

Priority portfolio

- Renewed lithium-extraction and processing technology
- Diversified, renewed export-corridor infrastructure
- Continued institutional professionalization
- Renewed energy-generation infrastructure
- Sustained social-dialogue institutions

HRS LONG-HORIZON TEST

Long-horizon readiness means avoiding a second generation of extraction infrastructure that reproduces the legal and social fragility of the first.

24 · 2066–2076

Intergenerational Resilience

Objective: establish a continuously renewing portfolio of Bolivian economic and institutional capabilities.

Priority portfolio

- Effective redundancy across mineral, energy and export systems
- Diversified international partnerships
- Recurring national economic and social-cohesion stress tests
- Sustained rule-of-law and judicial-independence institutions
- Transparent, durable governance institutions

HRS LONG-HORIZON TEST

Build systems that remain useful when governments change, commodity prices fall, or diplomatic relationships evolve.

25 • READINESS METRICS

Readiness Metrics and Governance

Country readiness should not be reduced to a single score. Metrics should be tracked by sector, geography and critical function.

Domain	Illustrative Metric
Lithium	Legal-framework resolution status; pilot-to-commercial production ratio
Energy	Fuel-import diversification; domestic refining capacity added
Social cohesion	Blockade frequency and duration; negotiated-agreement durability
Fiscal	Inflation trend; foreign-currency reserve levels
Logistics	Transit-corridor diversity; export throughput
Governance	Contract-transparency actions; judicial-independence indicators

26 • GOVERNANCE & IMPROVEMENT FRAMEWORK

HRS Bolivia Readiness Improvement Framework

Cycle	Bolivia Implementation
Detect	Maintain fiscal, social and lithium-sector dependency registers.
Assess	Stress-test compound blockade, fuel-shortage and legal-reform-delay scenarios.
Decide	Establish clear decision rights across lithium legal reform and social dialogue.
Coordinate	Align national, departmental, labor-federation and international counterparts.
Deploy	Execute reform and investment packages with measurable readiness outcomes.
Sustain	Fund technical capacity and social dialogue through political cycles.
Learn	Conduct annual continuity exercises and update assumptions through 2076.

MANAGEMENT PRINCIPLE

The HRS improvement framework should be used as a management system rather than a one-time report.

27 • CONCLUSION

Conclusion

Bolivia's September 2026 position is defined by a genuine but unresolved convergence: a decisive electoral break from twenty years of state-controlled economic policy, a real diplomatic pivot toward the United States, one of the world's largest lithium endowments, and — simultaneously — the highest inflation in four decades, sustained social unrest, and an unresolved legal framework for the resource at the center of the realignment narrative.

The HRS opportunity is to sequence this convergence deliberately: legal certainty before large-scale capital commitment, technology validation before commercial-scale claims, negotiated social consent before subsidy reform, and transparent contract review before new partnerships — while maintaining the existing relationships that already sustain Bolivia's energy supply.

FINAL HRS PROPOSITION

Bolivia's resilience should be measured by whether lithium and mineral development convert into durable Bolivian institutional capacity, negotiated social consent, and diversified economic capability — capable of functioning when governments change, commodity prices shift, or diplomatic relationships evolve.

METHODOLOGY, RESEARCH INTEGRITY AND LIMITATIONS

Methodology, Research Integrity and Limitations

This assessment is an original HRS Resilience Foundation synthesis based on public-source evidence and the Foundation's Western Hemisphere Readiness Series. It integrates the HRS Readiness Cycle, Strategic Dependency Test, effective-versus-nominal redundancy distinction, sector readiness logic and 50-year planning principles.

The assessment does not claim access to classified intelligence, confidential commercial information or privileged government information. Conditions in Bolivia, U.S. policy, and bilateral relations can change rapidly.

Statements attributed to the U.S. or Bolivian governments are presented as government positions. Company statements are treated as representations, not independent verification. Scenario propositions are analytical pathways, not forecasts.

The report is not a political judgment, electoral recommendation, intelligence product, procurement recommendation, legal opinion, engineering certification or investment solicitation. Country conditions are analytical categories, not rankings. This assessment does not characterize the legal status or merits of any individual's judicial proceedings referenced herein.

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Independent research for institutional readiness, continuity, and 50-year resilience planning across the Western Hemisphere. Research Outputs span Strategic Reports, Policy Briefs, Technical Papers, Sector Readiness Assessments and Regional Assessments, translating public-source evidence into practical frameworks built to remain valid for governments, infrastructure operators, investors, and institutional decision-makers across changes in technology, suppliers, and political leadership.

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Strategic Report 01 — Health Security and Institutional Resilience in the Americas

Strategic Report 02 — Resilient Infrastructure Investment in the Western Hemisphere

POLICY BRIEFS

Policy Brief 01 — Strengthening Regional Health Emergency Readiness in the Americas

TECHNICAL PAPERS

Technical Paper 01 — Building Resilient Health Supply Chains

REGIONAL ASSESSMENTS

Country Readiness Assessment 01 — Brazil

Country Readiness Assessment 02 — Venezuela

Country Readiness Assessment 03 — Cuba

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Country Readiness Assessment 05 — Bolivia

SECTOR ASSESSMENTS

SRA 01 — Telecommunications & Digital Infrastructure

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SRA 03 — Critical Minerals & Strategic Materials

SRA 04 — Rare Earths & Western Hemisphere Mineral Security

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SRA 07 — Food Security & Strategic Agricultural Resilience

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