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Bolivia's Troubled Path With China

Chinese activities in Bolivia have deteriorated remarkably from their heyday under the populist leftist governments of Evo Morales and Luis Arce.

By **R. Evan Ellis**

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Rodrigo Paz, China's ambassador to Bolivia, [Wang Liang](#), was conspicuously silent about the crisis. While anti-government elements [threw dynamite](#) at police and maintained roadblocks that denied the entry of [food](#), [gasoline and even medical](#) supplies into the capital, La Paz, Wang held an [economic forum](#) in the southern department of Tarija, ironically titled "[Bolivia, into the world with China.](#)"

From May 20-30, 2026, the author traveled to Bolivia, engaging with business, academic and government personnel on the evolution of the country's relationship with China, among other topics. This work reflects insights from those engagements and supporting research.

Chinese activities in Bolivia have deteriorated remarkably [from their heyday](#) under the populist leftist governments of Evo Morales and Luis Arce, reflecting a myriad of projects [tainted with](#) corruption, poor performance and resistance by affected communities. Bolivia's deepening economic, fiscal, and political [crisis](#), and efforts by the Paz government to rebuild positive relations [with the United States](#) and other [Western countries](#), have also limited China's advance.

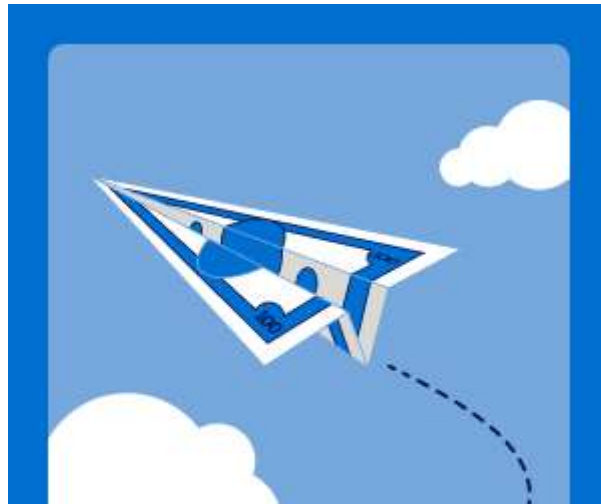
From 2006-2019, the Morales government threw Bolivia's doors wide open for economic,

military, technical and other cooperation from China. During that period, China sold Bolivia [six K-8 fighter aircraft](#), [six Z-9 military helicopters](#), [31 armored vehicles](#), and an unspecified number of trucks and patrol boats. Bolivia also purchased from China the [BOL-110 national surveillance system](#), [customs scanners](#), and the [Tupac Katari satellite](#), with China providing the construction and instrumentation of space ground facilities at Amachuma (La Paz) and the La Guardia district of Santa Cruz, as well as sending Chinese technicians to support the facilities.

According to Bolivian businesspeople interviewed for this article, more than 60 Chinese companies were active in the country during that period. Their activities included selling phone equipment and building digital infrastructure [for the national telecommunications company](#) ENTEL; supplying equipment for and doing work for the mining and petroleum sectors; and engaging in an estimated [\\$6 billion in infrastructure projects](#), from asphalt and [zinc processing plants](#), to hydroelectric facilities such as [Rositas](#), [San Jose](#) and Ivirzu, to [major road](#) and [railway projects](#).

Yet virtually all of these involved contracts with the Bolivian state for Chinese goods and services, rather than actual investment in Bolivian industry. Today, less than 20 China-based companies still operate in the country. China's own ambassador [Wang Liang](#) has blamed the [uncertain nature of Bolivia's political and economic environment](#) for the lack of Chinese investment.

In the domain of infrastructure, virtually all of China's projects are at a standstill. Its major construction companies active in Bolivia – Sinohydro, [Vicstar](#), and [CAMCE](#) – have closed or significantly reduced their offices.



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Those Chinese projects that were undertaken have been plagued by controversy. The Paz government [has refused to accept](#) delivery of a major highway from Santa Cruz to

Cochabamba built by Sinohydro, due to [numerous identified structural defects](#). The [\\$460 million steel processing facility](#) built by Sinosteel at El Mutún is far past its promised initial delivery date, has [hundreds of identified defects](#), and has yet to produce an ounce of steel. Mega-projects that were once under discussion – such as the [IIRSA Central rail line](#) connecting the Atlantic and Pacific through Bolivia – are no longer even seriously discussed.

At the local level, Chinese companies are impeded by problems largely of their own making. Bolivian construction-sector executives interviewed for this work noted that few local firms want to provide services to Chinese firms due in part to predatory practices of paying very poorly, and often late, as well as issues with their compliance with local labor, environmental, and other laws.

In Bolivia's petroleum sector, there were reportedly quality issues with [drilling equipment and services](#) sold by China-based companies to the prior Movimiento al Socialismo (MAS) government. There has been little recent work by China-based companies in the industry.

In mining, a number of smaller Chinese companies reportedly sell equipment and

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[purchase gold](#) and other metals, principally in the informal mining sector, but there have been almost no formal investments by major Chinese mining companies.

Chinese companies CATL and [CITIC Gouan](#) have contracts for lithium mining that have not yet been ratified by the Bolivian Congress. In February 2026, those mining companies reportedly brought a delegation of [Bolivian congresspeople to China](#) to facilitate that ratification, but thus far without success.

In agriculture, industry experts interviewed for this work noted that Chinese agro-logistics firms such as COFCO and its subsidiary Nidera do not operate in Bolivia. They further noted that few local producers want to assume the costs and risks to ship their products to China when they have trusted purchasers closer to home.

In the telecommunications sector, the industry giant Huawei has fared poorly in Bolivia and has shut down offices, although its Chinese rival ZTE continues to do telephone [infrastructure work for ENTEL](#). Still, China-based companies have collectively [built over half](#) of Bolivia's telecommunications infrastructure. Chinese smartphone brand [Xiaomi is offered](#) through a Bolivian partner, and the Chinese company Honor, which

competes principally on its low cost, [is expanding rapidly](#) in the country.

In the retail sector, [Chinese cars](#) and other products have [made substantial inroads](#) in the country, principally through local Bolivian businesses such as the [Saavedra group](#). China-based companies notably have not, however, established malls for selling Chinese products as they have in [Nicaragua](#), [Honduras](#), and elsewhere in the region. The handful that remain in Bolivia, such as the aging [Chinbol](#) and [ChinaCruz](#), are run by local businesspeople who stock the stores through small-scale relationships with individual suppliers in China.

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In the broader business and academic community, ties with China similarly remain limited. Bolivia's MAS-era ambassador to

China, [Hugo Nunez del Prado](#), was recalled by the Arce administration and has not yet been replaced. There is a small [China-Bolivia business chamber](#) and [friendship society](#) run by Bolivian sinologist [Ximena Barrientos](#), who grew up in China.

The country similarly has only [one Confucius Institute](#), at the [University of San Simon](#) in Cochabamba, home of political ally Evo Morales and his coca growers federation. There are none in either the capital, or in Santa Cruz, Bolivia's economic center. The single Confucius Institute once was connected with “volunteer” professors from China working in state universities in various other departments, although those China personnel have reportedly been replaced by Bolivian staff.

Although a number of Bolivian universities have small Chinese language programs, those interviewed for this work were hard-pressed to name a degree program in a Bolivian university for the study of China from a business, political, or security perspective. Similarly, although some Bolivian reporters have been brought over to China for training programs, those interviewed had difficulty naming any journalists noted particularly for their coverage of China-related topics.

In security affairs, although the Bolivian military reportedly continues to send personnel to courses in China, according to Bolivian security officials speaking in confidence, no China military personnel currently participate in courses in Bolivia. Of the six K-8 fighters sold to Bolivia, [two have crashed](#), and only one is reportedly still operational, reflecting difficulties in maintaining and finding spare parts for the aircraft. Similarly, of the six Chinese Z-9 helicopters purchased by MAS governments, only one is still operational, and according to security officials consulted off-the-record, the military is leery of flying in it because of its maintenance condition. Bolivia's fleet of China-built trucks and armored vehicles are reportedly in similar states of partial disrepair, with no current plans to acquire more.

In the space sector, the contract for Chinese maintenance of the ground facilities controlling the Tupac Katari satellite ended some time ago, and the Chinese personnel who visited the facilities have reportedly stopped coming. There are presently no plans to replace the satellite when its useful service life [expires in 2030](#).

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It is important to recognize that China's current setbacks in Bolivia stem from the disastrous performance of China-based entities dealing with corrupt former MAS regimes, and the uncertainty of the present economic and political crisis. That could translate into an opportunity for the United States – but only if Washington moves decisively to provide concrete alternatives to the government in La Paz and Bolivia's business community.

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