

minister, inherited these policy failures, as well as low prices and logistical challenges presented by the pandemic.

To win the presidency, Mr. Arce relied on the popularity of his party, the Movimiento al Socialismo (MAS), a political juggernaut founded by Mr. Morales in the late 1990s. But unlike his political mentor, Mr. Arce has taken a less hostile stance towards foreign investment. That pragmatism will help Mr. Arce breathe life into Bolivia's lithium sector. But despite [ambitious promises](#) from the campaign trail, what lies ahead for Bolivia's lithium industry remains unclear.

STATE-RUN STAGNATION

That coalition includes foreign investment skeptics and critics of the social and environmental impacts of lithium production. Under Bolivia's interim government, which ruled following Mr. Morales's departure, indigenous groups and laborers in southern Potosí [protested](#) for access to an environmental impact assessment on lithium mining's impact on ground and surface waters. Given anti-lithium demonstrations during the Morales administration, Mr. Arce will likely face similar popular mobilizations should he pursue lithium extraction. Meanwhile, the political opposition, such as the Potosí organization Comcipo, could also disrupt lithium production. In the past, it has erected [roadblocks](#) that crippled the region's mining industry.