

Session 26: Latin America After Big Mama

Latin America After Big Mama

When we began the class, I pointed out that Latin America was a land of extreme contrasts

- Rich and poor
- Modern and the traditional

It was also a region marked deeply by colonial legacies

- Race and ethnicity
- Religion and language
- Division of property
- Power relations and political traditions

But today's Latin America has shed many of these legacies, or at least many of them have faded, blurred, and blended together with other influences

- Globalization and U.S. influence
- Modernization, urbanization, industrialization

As a result of these sweeping changes, much of what Big Mama represented is gone

- An institutional church that held a monopoly on legitimate religious practice and was intertwined with the political and economic elite has itself been transformed
- The old guild systems and mercantilistic trade relations have given way to neoliberal policies
- The medieval social structures of *jus primae noctis* and rent collection in Macondo and Tres Mariás have largely been overcome
- Latin America is clearly modern, however much the particular expression of that modernity has been shaped by the past

To be sure, Big Mama's material possessions are not particularly well distributed

- As in the story, much of the wealth remains concentrated in a few hands
- Property – land, industrial assets, and access to government services – remains very unequal

But her immaterial possessions, at least, are up for grabs

- In other words, power and privilege are actively contested
- No one elite can monopolize political legitimacy
- Rival and competing groups represent the rights of free speech or the interests of the working man

In this sense, Big Mama is clearly dead

- Social and political structure she personified are gone
- What will replace her is not obvious
- To be sure, region is overwhelming democratic, at least nominally, and economically liberal (again, nominally)
- But how political democracy and economic neoliberalism will operate, and how they will interact to shape the lives of people in the region remains unclear

What, then, does the future hold for Latin America?

As I mentioned in the beginning of the semester, and as you have probably sensed, it is very difficult to generalize across such a broad region. But all countries face two broad challenges:

- Making democracy work for ordinary people
- Making market economics work for Latin America's poor majority

Making democracy work

- Consolidating representative institutions designed to hold leaders accountable to the interests and preferences of citizens.
- As we have seen, this means more than holding elections, however free and fair
- It means creating functioning states that can actually implement policies fairly
- Ensuring the rule of law, not just for the rich
- Constraining corruption, checking authority, and controlling crime
- Creating local governments that are actually civic, rather than dominated by bosses (whether they are known as *caciques*, *caudillos*, *coronelos*, "big men," and whether they are named Trueba or Big Mama)

Making market economics work means harnessing the power of market forces and economic globalization in ways that actually benefit poor people

- Not just growth in gross domestic product
- Real improvements in living standards, especially for the 40% of the population that remains mired in abject poverty
- This involves more than just adopting neoliberal policies willy-nilly
- It also means policies designed to explicitly target the poor
 - Primary school education
 - Basic health care
 - Micro-enterprise and small business development
 - Public works projects for infrastructure, sanitation, sewage, water, and electricity
 - Property rights for smallholders as well as large corporations
 - All of this paid for by a progressive tax system
- In other words, redistribution, or at least, massive programs of poverty reduction

What are the prospects that any of this will happen? What are the odds that Latin American countries will succeed in making democracy and markets work for the average person?

Here the variation across countries looms large

- In the Andes – Bolivia, Peru, Ecuador, Colombia, Venezuela, and parts of other countries – prospects are mixed
 - Weak institutions, violence, and the destabilizing influence of drug trafficking undermine even good intentions
 - Colombia clearly the worst case
 - But even Venezuela, floating on oil, is in trouble
 - Wracked by class conflict
 - Neither President Hugo Chavez nor the leaders of the domestic opposition seem committed to democracy
 - Meanwhile, instability leads to capital flight, and the government, despite its leftist rhetoric, has not adopted policies that best benefit the poor
- In Central America (with the exception of Costa Rica), Paraguay, DR, Cuba, Haiti – small, poor marginalized countries – prospects are generally more dim
 - Most are heavily dependent on remittances from citizens living in the United States and on the export of primary products (like coffee and bananas) against which the terms of trade seem to shift downward

- Industrialization that is occurring focuses on low labor costs and standards, with little forward and backward linkages to the rest of their economies
- Haunted by civil war and repression – Haiti, El Salvador, Nicaragua, Guatemala
- And most recently, by natural disasters (Hurricane Mitch in Honduras)
- In Southern Cone (Chile, Argentina, Uruguay, Brazil) and Mexico, prospects reasonably good
 - More affluent, democracy stronger; militaries under control
 - Although the challenges they face are daunting – systemic crisis in Argentina, economic stagnation and an aging population in Uruguay, massive poverty and inequality in Brazil and Mexico – they seem better able to confront these challenges
 - Mexico, in particular, enjoys a special relationship with the U.S. because of NAFTA; its economic fortunes and business cycle now clearly linked to the north rather than the south

More broadly, across the region, there are certainly some discouraging signs

- Sluggish economic growth; most people in the region no better off than they were two decades ago
- Failure of privatization in most countries to produce socially desirable and politically defensible result
- Absence of philanthropy and civic engagement by elite
 - Henry Ford, long dead, probably contributes more to social causes in Mexico through the Foundation that bears his name than all 10 of Mexico's billionaires
- Failure of U.S. policy, so far, to play a positive role (e.g., FTAA)

On the other hand, there are some important encouraging signs, and it seems fit to conclude by emphasizing the positive. I want to focus, in particular, on the development of Latin American civil society

- The emergence of social movements at the grassroots, that play a role in local government
 - in certain municipalities run by the PT in Brazil (e.g., Porto Alegre), experiments in participatory budgeting
 - And transparency in budgets in many states and cities governed by the PAN in Mexico; dates back to 1960s in SLP under the civic movement of Dr. Salvador Nava, when expenditures and revenues were posted on the wall for all to see
- Proliferation of independent media
 - True, broadcasting oligopolies in Chile, Venezuela, Mexico, Brazil, and even Argentina, not to mention smaller countries
 - But efflorescence of local broadcasters and diversity of publications, many of which impact politics and contribute to the transparency and accountability of government
 - Coupled with media, increasing growth of the polling industry, so that citizens views reflected back to policymakers and to themselves
 - As Miguel Basañez, essentially the founder of Mexican polling industry put it: seeing the country in polling numbers is very different from seeing it in official press releases
- Anti-corruption groups
 - Transparency International, an NGO with chapters in almost every country in the region

- Hemispheric Anti-Corruption Convention, to which virtually every country is a signatory
- Human rights organizations
 - Several hundred in Mexico alone
- All these organizations make it more feasible that governments will be held accountable, and that economic policies will reflect the needs of real people

It is through the efforts of this sort – through the growth and deepening of Latin American civil society -- that we can be sure the garbage men will actually arrive in Macondo to clear away the refuse strewn across the town, that Big Mama's rotting corpse will actually stay buried, and that, above all, a more just social order will actually be built to replace the one she represented.

Latin American democratization in some ways different from earlier "waves"?

- Full suffrage (not in Andean countries before)
- Discrediting of military rule
- International context
 - Absence of Cold War
 - Change in U.S. foreign policy under Bush I
 - Discrediting of Marxism
 - Generalized democratization; rough international consensus
- First cohort of leaders more conservative; leftists and indigenous leaders then emerge
- Civil society

In many ways, development of civil society represents the best hope for making democracy and markets work in Latin America. But it depends on the energies of individuals like you.

- Building civil society is something to which all of you can contribute
- I hope you will stay engaged in events that affect Latin America
- Hope that you will get involved in organizations that make a difference

Update on recent events, turn to the Left