
AMBITION VS. SUCCESS IN LATIN AMERICA'S LEFT

by KURT WEYLAND

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IN RECENT YEARS, LATIN AMERICA HAS EXPERIENCED a rising tide of leftist governments. Hugo Chávez initiated this wave in 1998 by capturing Venezuela's presidency with radical populist slogans and promises of profound change; he now wants to institute "twenty-first-century socialism."

Then in 2000, for the first time since the violent ouster of Salvador Allende in 1973, a president from the Socialist Party took office in Chile. And in Brazil, Luiz Inácio Lula da Silva from the leftist Workers' Party (PT) won the chief executive office in late 2002. As progressive leaders of different stripes also have been elected in Argentina, Bolivia, Ecuador, Nicaragua, and Uruguay, the left now has the greatest control over government power that it has ever enjoyed in the subcontinent's history.

The left's success constitutes a striking reversal of the trends prevailing in the 1990s, when the global downfall of communism and the widespread enactment of market reform seemed to spell the defeat

of the left. The pressure of the debt crisis and the failure of inward-looking, protectionist industrialization induced most Latin American governments to adopt the project of the right: They liberalized the economy, exposed domestic producers to stiff international competition, courted foreign capital, and slashed state interventionism. These neoliberal reforms weakened the political base of the left as well. Trade unions lost members and influence; civil society suffered fragmentation; and political parties decayed in collective organization and programmatic orientation.

The recent string of electoral victories therefore came as a surprise. What does this advance of the left mean for Latin America's socioeconomic and political development? Can the left rectify the many problems that market reforms created, aggravated, or failed to address, such as widespread poverty and weak employment generation? Can the left reinvigorate Latin American democracies, which suffer from deficient accountability and responsiveness? Or does the left threaten hard-won economic stability, such as the low inflation engineered by

neoliberalism? And do some leftist leaders with their radicalism and confrontational tactics endanger the quality and survival of liberal, pluralist democracy?

The Left and the Question of Constraints

Observers disagree on these important questions. Alluding to Chávez's efforts to extend his influence in South America, a Bush government official worried in 2005 that the present situation poses the most serious threat to U.S. interests since the early 1960s, when the Cuban Revolution inspired and fomented insurgencies throughout the region. And a *Financial Times* columnist in 2002 feared a radical backlash against market reform and predicted that Latin America was moving "back to revolution." By contrast, some activists and academics hope that Chávez and Bolivia's first indigenous president, Evo Morales, will challenge the economic constraints imposed by neoliberalism; frontally attack poverty and inequality; and turn their elite-dominated oligarchies into participatory democracies that give the lower classes an effective say in decision-making.

Latin America is too complex, however, to bear out the conservative fears or the progressive hopes. Global and domestic constraints of an economic and political nature leave limited room to maneuver. The region is deeply inserted in the international economy and depends on the capitalist First World for trade, capital, and technology. These links are tightening with the growing speed and volume of financial transactions. Reform measures that foreign investors perceive as irresponsible or threatening are therefore risky.

Political-institutional structures also limit drastic change. Liberal democracy has consolidated, especially in the Southern Cone. Where it continues to face threats, a powerful international coalition is determined to defend its basic outlines, if necessary with sanctions. Through constitutional safeguards and institutional checks and balances, liberal democracy hinders efforts at radical transformation, which require the concentration of power.

These economic and political constraints create a dilemma for the Latin American left: Either it seeks to produce improvements inside the established framework, charting a gradual reform course that takes time to deliver. Or it attempts a more frontal assault, but incurs substantial transitional costs and runs the risk of eventual reversal and failure. As several scholars have noted, Latin America's leftists have

divided precisely on this issue, giving rise to two different strands. Given this heterogeneity, any overarching arguments, fears, or hopes about the left in the region are misguided. There is a world of difference between Chile's Ricardo Lagos and Michele Bachelet, sustained by a stable party coalition, and populist Hugo Chávez, who leads an amorphous mass of followers. Whereas the Chilean presidents represent programmatically oriented, institutionalized, and firmly democratic parties, Chávez acts as the personalistic leader of a fluid, plebiscitarian movement with hegemonic aspirations. Accordingly, Lagos and Bachelet have charted a systematic yet moderate reform course, while Chávez claims to pursue a radical transformation, which he enacts with haphazard decrees.

Most basically, the different strands of the Latin American left divide precisely on the issue of constraints. The Chilean Concertación, Brazilian President Lula, and his Uruguayan counterpart Tabaré Vázquez from the leftist Broad Front have decided to work inside the established economic and political system, change it step by step, and effect improvements through gradual reforms that cumulate over time. By contrast, Venezuela's Chávez, Bolivia's Morales, and Ecuador's new president Rafael Correa claim and seek to break existing constraints. They embark on revamping the representative-democratic political order and want to throw off the yoke of neoliberalism and move toward "twenty-first-century socialism." Argentina's Nestor Kirchner oscillates between these two poles, sometimes approximating the Venezuelan firebrand in rhetoric, style, and willfulness, but usually acting more pragmatically in his decision-making.

Which one of these political and policy approaches is more successful and promising? Should sectors who seek to improve the well-being of the poor take the reformist path and make improvements from inside the established system, or bet on the more radical effort to overturn and rebuild this system?

Economic Constraints and the Question of Development

Hugo Chávez proclaims to steer Venezuela toward twenty-first-century socialism. Given the obvious failures of Latin American capitalism and the deficient performance of market reform, this goal has stimulated excitement among some progressive observers. But what exactly does the Venezuelan president have in mind? So far, he has failed to outline his vision in concrete and realistic terms. The disparate

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sources of inspiration that he invokes, ranging from national hero Simón Bolívar to U.S. linguist Noam Chomsky and Jesus Christ, do not clarify his program. Also, there is little novel about Chávez's actual policy steps, such as measures to squeeze foreign investors, buy back some privatized companies (on fairly generous terms), and subsidize domestic cooperatives. None of these variegated reforms add up to a coherent alternative to Latin America's market model.

In fact, economic dependence continues to impose significant limitations on radical leftist governments. Despite his anti-American rhetoric, Chávez cannot help but sell the bulk of Venezuela's oil to the great "imperialist" superpower. And as Bolivia's botched hydrocarbon nationalization shows, Evo Morales will need the expertise and capital of foreign companies to develop his country's gas reserves and thus obtain the voluminous resources required for stimulating domestic development, alleviating misery, and bringing social improvements. Thus, even leaders who claim to challenge global capitalism and trace an alternative development model are in fact constrained. Twenty-first-century socialism will not be achieved any time soon.

Chávez's policy approach actually has many striking similarities to the oil rentier model that Venezuelan presidents traditionally pursued in boom times. During the bonanza of the 1970s, for instance, the government also boosted public spending, increased state interventionism in the economy, nationalized the oil industry, adopted leftist slogans, and led the Third World in its push for a "new international economic order" that would tame global capitalism and benefit developing countries through significant redistribution. Chávez has brought little innovation to this old pattern: When oil prices skyrocket, Venezuela takes a sharp turn to the left.

But of course, high oil prices sooner or later come down again. The boom of the 1970s was followed by a long bust, which caused painful economic and social losses throughout the 1980s and 1990s. The current boom is also bound to end at some point. Chávez's expansionary economic policies and large-scale social programs will then lose their financial sustenance. In fact, the recent doubling of public expenditures is utterly unsustainable. It has already fueled the highest rate of inflation in contemporary Latin America, which

the president has sought to suppress through price controls, causing deepening scarcities in turn. Thus, even during the present boom, Chávez's haphazard and surprisingly old-fashioned economic model seems to be reaching its limits.

Anticipating these and other kinds of difficulties, the leftist parties governing Brazil, Chile, and Uruguay have from the beginning adhered to the pragmatic decision to accept prevailing economic and political constraints and use the room for maneuver inside them for effecting improvements. In their view, global capitalism is there to stay; frontal challenges are futile. At the systemic level, there is no alternative; contrary to radical-leftist slogans, no "new world" is possible. But international capitalism offers significant opportunities—not only constraints—for developing countries. Chile, in particular, has attained tremendous export success, which has helped fuel a long growth spurt and a very substantial reduction in poverty. Oppressed by a high tax burden that finances a good deal of "corporate welfare" and regressive social security spending, Brazil has been less successful, but after a steep decline caused by economic stabilization in the mid-1990s, poverty has fallen further under the Lula government; even the shocking levels of income inequality have begun to improve.

Skillful policy reforms can enhance the opportunities offered by the established economic order. Chile has made systematic efforts to upgrade its comparative advantages in international trade; to extend its commercial networks even further; and to invest in human capital through improvements in education and labor training. Thus, countries can better their own position in the global economy. They can also help reform the rules of the game, for instance by combating First World protectionism. With this purpose in mind, Brazil has taken a leading role in international trade negotiations. Thus, the moderate left has worked within the global economic system while forgoing unpromising efforts to challenge it frontally. The resulting socioeconomic improvements are more sustainable than the surprisingly limited accomplishments in Venezuela, where it took Chávez six years to effect a net reduction of poverty, despite the oil boom. By contrast, poverty steadily fell in Chile despite the recession of the late 1990s.

Political Constraints and the Question of Democracy

Corresponding to their stance on economic constraints, Latin America's radical and moderate left have also diverged in their position on political-institutional constraints. Whereas the Brazilian PT, Chilean socialists, and Uruguayan leftists accept representative democracy, Chávez, Morales, and Correa have sought to transform it towards a (not very well-defined) participatory democracy. In fact, they depict profound institutional change as a precondition for the socioeconomic transformation they have announced. For this purpose, they have convoked constituent assemblies, trying to turn majoritarianism and popular sovereignty against the institutions of liberal, pluralist democracy.

Only Chávez, however, has actually managed to dislodge the established political class, dominate Venezuela's political institutions, and establish personalistic hegemony. This concentration of power has hollowed out not only pluralist democracy, but also the official steps towards citizen participation. Mass associations have risen and fallen at Chávez's discretion; the "base" has never managed to restrain this populist leader. Thus, where the left has thoroughly transformed politics, change has moved in a predominantly undemocratic direction. Moreover, Chávez's power grab has stirred up tremendous polarization and conflict, in turn depressing socioeconomic development. For instance, a ruinous business strike in 2002–2003 helps account for Chávez's great difficulty in alleviating unemployment and poverty.

Evo Morales, who has followed Chávez in convoking a constituent assembly, has been much less successful in revamping political institutions. Bolivia's deep cleavages denied him a commanding position in the new assembly, which has been bogged down by disagreements over procedural rules. If Morales manages to transform the procedural framework, liberal democracy is likely to suffer, given the hegemonic tendencies inside his movement and its intolerance of opposition. But contrary to Chávez's personalistic populism, Morales relies on a mass movement with strong rural and indigenous components. His capture of the government has furthered the political inclusion of ample sectors that previously had little political say. Thus, while Bolivian democracy may suffer in its

institutional setup, it has benefited in its social base. Whether the indigenous movement can exert autonomous political influence remains to be seen, however.

By contrast to these radical reform projects, the Brazilian, Chilean, and Uruguayan left has accepted the established constitution and refrained from uprooting the procedural architecture. Instead of attacking the political opposition and trying to conquer its institutional bastions, these moderates have committed to preserving liberal, pluralist, competitive democracy. Having built well-organized, programmatically oriented parties—rather than personalistic vehicles or fluid movements, such as Chávez, Morales, and Correa—they see themselves as parts of the political system, not as the natural embodiments of “the people” as a whole. Their respect for political diversity exposes them to the demands of unfettered electoral competition and the strictures of political accountability. For instance, the party-financing scandal in Lula’s PT was exposed to the public, by contrast to the much more blatant corruption that according to Transparency International is afflicting Chávez’s oil-soaked Venezuela.

As in the economy, these moderate leftists have made some improvements inside the

established institutional framework. Chile’s Concertación introduced tripartite negotiations between unions, business, and the state for designing socioeconomic reforms in the early 1990s. Brazil’s PT and Uruguay’s Broad Front instituted participatory budgeting at the municipal level and thus gave citizens direct influence on public resource allocation. By respecting the scale at which popular participation can work properly, these initiatives have attained considerable success. In particular, they have not turned into instruments of plebiscitarian acclamation for populist leaders, as it happens so often with supposedly participatory institutions at the national level, such as referenda. Thus, these reforms have provided “value-added” to existing liberal institutions, rather than suffocating them, as in Chávez’s Venezuela. In sum, gradual efforts to enrich existing institutional structures look more promising than grand schemes to re-found democracy on new and untried bases.

Conclusion

The recent experiences of the Latin American left suggest a paradoxical finding: The more ambition, the less success. The parties that have accepted prevailing economic and political constraints have achieved greater and more sustainable accomplishments than radical leaders and movements that have tried to overturn these limitations. As European social democracy recognized many decades ago, a frontal assault on established structures entails great costs and risks. For instance, a true socioeconomic transformation requires a concentration of power that undermines liberal safeguards and allows an unaccountable and unresponsive elite to rule. While painfully slow, a strategy of gradual reform that changes the existing economic and political system from the inside holds greater prospects of long-term success.

Politics is “the strong, slow boring of hard boards,” as sociologist Max Weber wrote a century ago. Banging one’s head on the wall may be heroic, but it is not a promising strategy, especially for its supposed beneficiaries, Latin America’s poor.

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