

# CHAPTER 1

## Theoretical Perspectives on Latin American Politics

### LEARNING OBJECTIVES

- Identify the main theories related to Latin American politics.
- Explain how theories contribute to an understanding of specific political events.
- Differentiate between the three main levels of analysis.

In January 2006, Evo Morales was inaugurated president of Bolivia. Hailing from a poor family, he had become an influential local union leader of the “co-caleros,” or coca growers. He then proceeded in 1997 to win election to the national Congress. His rise was due specifically to local concerns about national and international policies. In particular, for years discontent with the government’s anticoca policies had led to civil discontent. Considerable anger was aimed at the United States, which used economic leverage to push Bolivian presidents to enact strict laws intended to eliminate the coca plant. Coca had been part of indigenous cultures for hundreds of years and was essential to the livelihood of many rural Bolivians.

Those local concerns combined with discontent over national economic policy. Morales’ organization led large national protests that ultimately unseated the recently elected Gonzalo Sánchez de Lozada (more commonly known as *Goni*). When he resigned in 2003, Goni blamed his ouster on criminal behavior and sedition, labeling protests like Morales’ as creating “national disintegration” and “fratricidal violence.”

Before Morales’ official swearing-in ceremony in the capital, La Paz, he attended an indigenous ceremony at Tiwanaku, an important pre-Columbian political center. Of Aymaran descent, Morales emphasized his commitment to indigenous issues and was reelected in 2009 in a very divided country. He also argued that key natural resources, such as natural gas, should be in

For the purposes of this book, the approach serves as a reminder that different levels of analysis deserve more scrutiny than they often receive. Not only that, but political actors at different levels are working together or at least having an impact on others literally all the time. There are times when one particular level seems to be the most influential, but none of them are fully isolated from each other.

## International Level

The international level refers to political actors outside the state, which means governments of other countries and international organizations. The role of the United States will come up again and again because of its considerable—and sometimes controversial—influence. In the Bolivian case, for example, the United States has pressured the government to engage more actively in counter-narcotic operations. But at various historical moments, other countries, most notably Spain and the Soviet Union, have had important impacts. Organizations as disparate as the International Monetary Fund (IMF) and the Organization of American States (OAS) or a **nongovernmental organization** such as Amnesty International also should be taken into account. The international level can even include the fluctuation of international prices for exports.

## National Level

The national level centers on the central government. This means the executive, legislative, and judicial branches, as well as groups that lobby those branches at high levels to pursue their political goals, such as national business elites or religious organizations. This also includes political parties, which operate on all levels but are fundamentally national. All these political actors connect in many ways to both the local and international levels—Evo Morales' Movement for Socialism party grew out of local alliances—but are focused on the national government. In a federal system, state-level governments fall in the middle between local and national.

## Local Level

The local level includes groups that are either not part of the state or peripheral to it, yet still seek to influence politics. Examples can include local unions, protest organizations, human rights activists, neighborhood associations, or regional indigenous groups. It can also include local government, because the mayor is the political official most in touch with the local population. At this grassroots level, one essential challenge is to figure out *how* to change policies further up. As the leader of a coca union, Evo Morales championed small farmers in their quest to defy U.S. coca eradication policies.

national rather than international hands. That meant nationalization, where the state took over industries. How to distribute wealth and services in Bolivia, though, did not suddenly become easier. He faced opposition even within his movement.

Morales' overall policy orientation highlighted the deep national divisions within Bolivia, a country historically split between east and west. His national political struggles and the international disputes that ensued serve as reminders that understanding Latin American politics requires a comprehensive view of the region. Political actors do not function on only one level. Instead, they must seek delicate and ever-shifting balances between different levels.

## The Complexities of Latin American Politics

Political pressures come from above and below. As we will see, many theories and hypotheses about Latin America tend to focus on the “above” and exclude the “below.” International factors and elite-level politics are extremely important, but they are not the whole story. There is also a lot happening on the ground, at the grassroots level, that has an impact on political and economic development. Further, there is a constant interaction—harmonious or conflictive—that major theories don't necessarily capture.

Latin America has always experienced major international influence, first from Spain as a colonial power and then from the United States. Latin American countries also have long-standing national-level projects, such as economic development and democratization, which are affected by international actors. Yet they also have critical local-level developments that must be integrated into political analyses because they shape national politics and international responses. Evo Morales created a local power base, moved into a power vacuum at the national level, and once there had to deal immediately with a wide variety of national and international pressures. This book will consider Latin America from a wide-angle lens to provide a full understanding of its politics.

Bolivia is the second poorest country in the Western Hemisphere (ahead only of Haiti). Why has it remained so poor? Historically, it has arguably been the weakest democracy in the region, with nearly 200 *coups d'état* since independence in 1825. What are the root causes of political and economic instability in Bolivia and around the region? Bolivia offers an example of the recent rise of national political leaders challenging the status quo, professing greater appreciation of and sympathy for the downtrodden at the most local level, which in Bolivia refers in large part to the indigenous population. Once president, Morales faced serious conflict with the national legislature, local governments, and the United States. Why is there so much discontent and what has been the result? Answering these and other critical questions requires the examination of local, national, and international factors that all come together to help us understand political outcomes. That will also facilitate comparisons.

## Making Comparisons in the Context of Complexity

This book is a comparative analysis of Latin American countries. Within the discipline of political science, “comparative politics” is the subdiscipline focusing on a comparison of different cases as a means of reaching generalizable conclusions. It rests on the assumption that what happens in one place very well might help explain events elsewhere because the causes and effects may be similar. At the most basic level, comparativists identify an independent variable that explains variations in the outcome of the dependent variable. This allows us to formulate hypotheses (*if/then* statements that specify causal relationships), which can then be tested by examining other countries. Constructing hypotheses and testing them can lead to the development of theories.

Theory building is a critical element of comparative politics, as it helps us understand causal relationships. Theories link concepts to real-world events and, if the theories are successful, help explain *why* things did happen in the past or will happen in the future. In fact, theories often have the potential to be very controversial, because they may be linked to certain **ideologies** (visions about the way the political world should work), which in turn offer suggestions for what types of policies should be pursued. In short, theory matters at a very practical level. Evo Morales, for example, forged an **ideology** of socialism and nationalism that strongly emphasized local and national indigenous rights. Both specific hypotheses and broader theories are also important because they point to ways in which different levels of analysis come together.

Before discussing some of the major theoretical and conceptual frameworks that have guided scholars’ understanding of Latin American politics, it is necessary first to acknowledge a tension that often surfaces in theoretical debates. There is often disagreement about the importance of systemic (generally, internationally driven) influences versus more local factors. This is commonly framed as “structure” versus “agency.” For example, political and economic structures constrain individual choices—that is, individual agency—in many ways. On the other hand, it is an exaggeration to argue that what individuals and groups do is unimportant in the larger scheme of things. Local-level actions, such as protests in Bolivia, should not get lost in the shuffle. What individual people do is important.

One goal of this book is to unpack these relationships and demonstrate how existing theories sometimes have problems explaining politics. It will take into consideration three levels of analysis, or political levels: international, national, and local. The idea of explicitly addressing levels of analysis has received considerable attention in political science since the 1950s, especially in the subfield of international relations. In his seminal work *Man, the State and War*, Kenneth Waltz asked why states go to war. To do so, he examined the nature of human beings as individuals making decisions, the internal structures of states, and the nature of the international system, where there is no world government dictating what states can or cannot do. This approach ensures that all possible variables and effects receive at least some attention.

## How the Levels Intersect

Think about this example of how different levels intersect: A farmer in Bolivia decides to protest a government tax by putting up roadblocks. That is the local level. But that farmer is part of the national association that helps coordinate it. Alone, that individual farmer wouldn't have much effect. But the national level is critical, because the Bolivian government is in debt and needs the cash that the tax provides. Why does it need that cash right now? The international level helps explain that, because the government is in debt to international creditors and faces globally high prices of food. This 360-degree view makes it much easier to understand Latin American politics.

We also have to acknowledge that there are no clean lines between these different levels. For example, the Catholic Church is an international actor, with national leaders chosen by the Vatican. However, at times priests at the local level—in the poverty-stricken urban slums or isolated rural areas—have interpreted Catholic doctrine in ways that diverge widely from either the national or international dictates. Political parties also commonly operate on a number of different levels, down even to the neighborhood. A mayor, for example, deals with all sorts of local problems but usually is also part of a national political party that might even have international connections.

Ultimately, for a complete picture of Latin American politics, we want to neither rob agency nor underestimate systemic forces. Presidents and grassroots organizers alike do have some leeway to make decisions and take action, but the latitude varies widely, and constraining—or liberating—pressures can come from many different sources. Cases like Bolivia also illustrate the fact that a leader like Evo Morales at the local level can at times be catapulted to the national level, where both the constraints and the opportunities are suddenly different.

## How Levels of Analysis Inform Theory

Paying closer attention to different levels of analysis and how they interact puts us in a better position to evaluate the many hypotheses and theories that claim to explain different aspects of Latin American politics. For example, two of the most prominent and lasting theories—modernization and dependency—privilege international influences. Despite the fact that their essential arguments are still made all the time by politicians across the hemisphere, they miss important national and local factors.

### Modernization Theory

The core of **modernization theory** is simple (as is the case with any influential theory). The way to develop economically and achieve political stability, to become “modern,” is to emulate the countries that have already done so. The entire theory is centered on international effects. The diffusion of western values

will pull less developed countries in a modern direction as they rid themselves of the backward practices of their failed past. In a highly influential book, W. W. Rostow, who became a top aide to U.S. Presidents John F. Kennedy and Lyndon Johnson, argued that there are five stages of economic growth: the traditional society, the preconditions for take-off, the take-off, the drive to maturity, and the age of high mass consumption.<sup>1</sup> Following the correct policy prescriptions could propel a country in the right direction. For Rostow, modernization was a direct challenge to the Marxist assertion that class conflict must inevitably lead nations toward Communism. Instead, modernization would foster capitalism and peace. It is a theory based on international influence, which is supposed to trickle down first to the national and then to the local levels.

In the specifically Latin American context, sociologist Seymour Martin Lipset argued that value systems were still preindustrial, based on the Iberian (referring to the Iberian Peninsula of Spain and Portugal) tradition that rejected hard work and favored hierarchy and obedience over individual initiative.<sup>2</sup> A revamped educational system could be one means of transforming society, as well as breaking the grip of traditional elites who block the rise of new talent and resist modernization.

Modernization theory was developed in the 1960s, but there is no doubt that it remains relevant. It is illustrated in the widely read book *Guide to the Perfect Latin American Idiot*, which ripped at dependency theory and argued that “[o]nly at the end of the [nineteenth] century did this faith in U.S. progress, this confidence in the pragmatic, this amazement for material achievements begin to fall apart.”<sup>3</sup> The solution? Reexamine the U.S. model and take on many of its characteristics. Speeches by U.S. presidents often echo this sentiment, with references to how we all have shared values of progress. There are widespread laments that leftist governments are pursuing failed policies of the past, based on wishful thinking rather than clear-headed realism. Get rid of the old thinking, follow international models, and progress will follow. The original modernization theorists would have agreed heartily.

## What Modernization Theory Can’t Explain

By looking at other levels gives us more leverage for understanding Latin American politics. Many national and local solutions boost both democracy and stability without copying international models. As matter of fact, homegrown solutions to national challenges often work better than foreign-inspired solutions. And, as the Bolivian case will show, sometimes pushing for those models too hard actually creates serious local backlash.

## Dependency Theory

There was a theoretical reply as **dependency theory** emerged as a direct challenge to both modernization and the ideas of neoclassical economics. It was also fundamentally international and structural in its emphasis. The foundation of dependency theory coalesced in the 1950s, and formal works on the topic

were published largely in the 1960s in response to the major works of modernization theory.

It started with a basic question. If free-market capitalism was so good, why were the results often so negative in the developing world? Dependency theory originated in Latin America, as academics and members of the United Nations' Economic Commission for Latin America and the Caribbean (usually known through its Spanish acronym, CEPAL) noted an element of "modernization" that had not yet been explored. Whereas modernization theorists believed that greater connection to the developed world would be beneficial, because traditional societies could take on their characteristics, dependency theorists argued that the relationship was negative.

The theory views the world in terms of a "core" and a "periphery" in the international system. The core refers to wealthy, developed countries, whereas the latter is composed of less developed, poorer countries. As part of the periphery, Latin American countries exported raw materials to the core, especially—though not exclusively—to the United States. The prices for these products, such as Argentine beef, Bolivian tin, Colombian coffee, Cuban sugar, or Guatemalan bananas, did not appreciate over time, and often dropped. Meanwhile, the core exported finished manufactured products back. Those items, such as cars, refrigerators, farming equipment, or other durable goods (meaning they last and do not wear out quickly), tend to increase in price. The terms of trade, therefore, were getting worse, and as a result, Latin America was becoming heavily dependent on the core for all the goods it was not producing. The core was responsible for keeping the periphery down and routinely intervened or invaded whenever threats to the arrangement emerged. The developed world would also work to keep leaders in power who would not disrupt the flow of primary products and the consumption of finished goods from abroad. The national and local levels were, therefore, largely victims that could do very little in response.

Fernando Henrique Cardoso (who was elected the president of Brazil in 1994) and Enzo Faletto compared dependency to a banker and client relationship. The client has no money, and even though he or she may do something productive with the loan, there are clear lines of dependence: "In most cases, when such an economy flourishes, its roots have been planted by those who hold the lending notes."<sup>4</sup> Cardoso and Faletto emphasized that dependent industrialization by its nature created inequalities because only a small elite benefits from industrial output, whereas the large majority of the population continues with traditional methods of agricultural production and extraction. Interestingly, though, Cardoso's views changed as he moved from intellectual to politician (Box 1.1).

Some scholars of dependency, such as Andre Gunder Frank, asserted that the only way to open the door for development was not only to sever ties with the international core but also to destroy the national bourgeoisie (meaning the economic elite) that was closely tied to foreign economic interests.<sup>5</sup> You had to destroy national and international influences to become free. Many of the works of the time were inspired by Marxism, so the logical solution was to eliminate

## BOX 1.1

## Theory and Practice: International Factors and the Ideological Transformation of Fernando Henrique Cardoso

**International:** With his coauthor Enzo Faletto, Brazilian Sociologist Fernando Henrique Cardoso published one of the most influential and important works on dependency theory, originally published in 1969 (the English version was released in 1979). The entire analysis centered on the negative effects of international economic factors.

**National:** In 1982, he was elected senator of São Paulo, and his political career took off after the end of military rule in 1985. In 1988, he helped found the Brazilian Social Democratic Party (PSDB). Unlike the leftist Brazilian Worker's Party, the PSDB and Cardoso claimed to ignore ideology and seek common-sense solutions to long-standing national and local problems of poverty, inequality, and injustice. As minister of finance in 1993, he spearheaded "Plan Real," which created a new currency (the "real") and drastically reduced inflation. He was elected president in 1994 and reelected in 1998.

**Local:** What critics noted was the ways in which his policies as president conflicted with the theoretical precepts he had developed years before. His economic strategies were perfectly in line with prevailing market-based policies of privatization and limited

government spending. In short, in looking for solutions for national and local problems, he began to view international influences such as globalization—and thereby the "core" as well—in largely positive terms. Poverty, for example, which is a major local problem in Brazil, could not be addressed effectively with a large state but required *more* integration into the international system.

In his memoirs, published in 2006, Cardoso denies that his theory was leftist at all. Far from rejecting the developed world, he argues, he felt Latin American countries should "harness" multinational corporations for their benefit.<sup>6</sup> He writes that he was unfairly labeled a Marxist because he was involved in study groups that read Marx, but that they did so critically and also read many other points of view.

### Discussion Questions

- If an individual who has something to sell is connected to global markets, can you think of what the costs and benefits might be?
- Can you think of specific ways in which international actors can have an effect on poverty at the local level?

capitalism and cease trading with capitalist countries while embracing socialism. That meant taking up arms and starting a revolution.

It also continues to stay highly relevant. The rhetoric from the Latin American left echoes its main points. The United States is taking advantage of the region, the argument goes, and we need to break away from its domination and

sell new products in new markets—even more just to each other. More than ever, Latin American policy makers are seeking opportunity in places such as China and India, which had largely been absent from the region for most of its history. In fact, dependency theory is no longer associated with only the left. Even center-right presidents, such as Felipe Calderón of Mexico, have talked openly and unambiguously about reducing dependency on the United States and looking globally for new opportunities. It has proven much harder to diversify economies, but at least there has been diversification of trading partners away from a reliance on the United States. Many of the original dependency theorists would have approved.

## What Dependency Theory Can't Explain

Dependency theory leaves holes at the national and local levels. Many policy makers have developed successful national economic strategies that defy dependency's predictions. Brazil, for example, sells its Embraer jets around the world, including to airlines in the United States. Local economic initiatives across the region have also demonstrated that dependency theory's international focus too often fails to integrate specific ways in which national and local realities do not correspond to the generally deterministic dependency argument. There is far more autonomous action at those levels that prominent theories like these often overlook.

## Defining Democracy and Development

Remaining mindful of levels of analysis also clarifies key definitions that are essential for understanding Latin American politics. The two broad challenges faced by Latin American governments have been how to achieve and maintain democracy and to foster sustainable economic development and prosperity. We will be coming back to these issues again and again, with particular attention to how the different local, national, and international contexts must each be considered.

### Democracy

*Democracy* is a term that has had many different definitions applied to it, ranging from simply having competitive elections to a broad conception that includes quality of life. As we will see, constitutions in Latin America reflect the ways in which democracy is conceived in different countries and in different eras. Political scientist Guillermo O'Donnell, for example, has argued that democracy is intimately tied to human development and human rights, and therefore, they all must be viewed together to determine the quality of a given democracy.<sup>7</sup> In other words, there are central national concerns but also local ones. Democracy must involve competition but also satisfaction of local needs. As he acknowledges, this is no easy matter.

We will pay particular attention to what has been called a *procedural* definition, which reflects the influence of political scientist Robert Dahl. It focuses on the procedures a political system utilizes to elect its leaders. People must have freedom of expression and the right to create and join organizations at either the local or national levels, for example. Then political leaders compete to get their votes. He refers to a **polyarchy**, which refers to a system that is “highly inclusive and extensively open to public contestation.”<sup>8</sup> This type of definition is useful for two main reasons. First, from a political perspective, elections (at any level) are the core of any democracy and, therefore, deserve to be front and center. Without elections, democracy cannot exist. This is especially relevant for Latin America, where the fight simply to have free and fair elections has been long and difficult. Coups have plagued Bolivia, and a large swath of the indigenous population was excluded for many years; therefore, the local population felt politically powerless. Second, it is easier to do comparative analysis because the outcomes are visible and obvious. A downside to a procedural definition is that it tells us much less about the quality of democracy and very little about accountability. Once a president is elected, how much can he or she do without political repercussion?

The intent of this book is not to stick a label on each country to determine which is more or less democratic than the others, though that is a constant and seemingly entertaining pastime for both academics and politicians. Instead, it will focus on the mechanics of democracy—the procedural aspect—while also taking into consideration how democracy (or relative lack of it) affects different groups in a country. Looking at it from all three levels will yield insights the major theories may overlook. Chapter 3 will dive into the development of democracy.

## Development

*Development* is not much easier to define. At its core, development means prosperity. Are you better off than you were last year or even ten years ago? On its face, it seems simple. We can look at a wide variety of national economic indicators (which we will discuss in detail in Chapter 4) and answer yes or no. But it quickly gets more complicated. We need to know how many of a country’s citizens are becoming better off. A country might have high economic growth rates at the national level, but if the wealth is limited to only a few, then there might still be political upheaval and discontent bubbling up from the local level, especially in rural areas. We also need to know how sustainable it is. If your country is dominated by one or two key exports (e.g., oil or metals), you might do well when prices are high and then face disaster when they drop.

Growth is a necessary but not sufficient factor for development. No matter how good your intentions, you cannot develop economically without growth. And each chapter will also examine the human side of the equation, the local effects. Doing so will also provide insight into why political discontent grew through the 1990s and, eventually, led to the election of political outsiders who

challenged—to greater or lesser degrees—the status quo. Even when the economy looks great from a bird’s-eye view, there may be serious problems at the local level that need attention.

## Conclusion

Only a decade or so before Evo Morales assumed office, Bolivia was seen as a model of economic reform and democratic transition. Yet his inauguration was a clear sign that national-level policies put in place with international influence did not take into account the responses at the local level. Bolivia is just one example of how Latin American politics must be viewed from all angles. Ironically, before becoming president, Morales had organized the very sorts of local protests that later would be aimed directly at his administration.

Keeping our eyes on the three different levels gives us some analytical leverage. Why would a local leader reach national fame if influential international actors believed that a country was doing so well? That outcome doesn’t seem to make much sense until we take into account the fact that growth based on commodity exports does not necessarily benefit everyone equally. Down at the local level, many people were becoming unhappy that the highly touted growth didn’t seem to be improving their lives as much as they hoped.

Thus, the relationship between economic development and democracy is not always obvious because of how they play out at the international, national, and local levels. What we might believe is “progress” or “success” may not be perceived the same way at different levels. Such disagreement can then spark political debate and at the extremes even political violence. We get a much fuller picture of Latin American politics when we keep all the levels in mind.

## Key Terms

- Coup d’état
- Ideology
- Nongovernmental organization
- Modernization theory
- Dependency theory
- Polyarchy

## Discussion Questions

- Can you think of ways that international factors might be positive for a country in the process of democratizing?
- What are important aspects of a democracy that the term *polyarchy* does not capture?
- Why are theories useful even though they can’t explain everything?
- What are some positive aspects of a presidential system?
- In what ways might locally generated protests start to influence national-level politics?

## Further Sources

### Books

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## Endnotes

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