

Internally, the struggle of Latin America's peoples to eliminate neocolonialism and *latifundismo*, the chief obstacles to the achievement of a more just economic and social order, gives meaning and direction to the turbulent flow of modern Latin American history. Viewed as a whole, that history, with all its contradictory aspects, its gains and setbacks, appears to form a sequence of stages, each representing a higher level of effort to achieve complete economic and political emancipation. Such an overview inevitably ignores the great differences between the Latin American countries, but it helps make clear the general unity of problems and the common direction of movement of all the Latin American states.

The single most significant external factor in Latin America's twentieth-century development was the emergence of the United States as first a hemispheric and then a global hegemonic power. Its recurrent military, economic, and diplomatic interventions in the region established the international context within which local events unfolded. Changes in the global economy also impacted greatly on Latin America, giving rise to three distinct periods.

### 1900–1930

From 1900 to 1930, a fierce competition among industrially developed capitalist countries for overseas markets led to recurrent imperialist interventions, chiefly by the United States. U.S. and European statesmen and corporate businessmen continued their competition for privileged access to Latin American markets for strategic raw materials, cheap labor, and direct investment. This typically required alliances with traditional latifundistas and the oligarchical or dictatorial governments that protected their interests. It also reinforced late-nineteenth-century trends toward urbanization, the decline of independent peasantries and relatively autonomous indigenous communities, and the parallel growth of new national bourgeoisies and a wage-earning working class in which women would play an increasingly decisive role. Throughout the region, market forces steadily eroded traditional barriers between public and private life and doubly exploited women—as menial, poorly paid wage earners and as unpaid labor in the patriarchal household. Simultaneously, these same market forces assaulted the rural, relatively isolated, provincial hinterland and drove a steady stream of migrant workers first to urban slums in search of industrial employment and then to new lands as immigrants.

Not surprisingly, these new social actors sought out political alliances and often joined social protest movements that challenged the power of traditional oligarchs like Porfirio Díaz in Mexico, Cipriano Castro and Juan Vicente Gómez in Venezuela, and Gerardo Machado in Cuba. By the end of this period, these opposition groups, which formed the core constituency of an emerging regional

“populism,” had taken advantage of the political space created by intra-elite conflicts and international rivalries to demand the creation of a more modern nation-state that would regulate private sector relations in a way that would promote greater economic independence, social justice, and political stability.

The Mexican Revolution of 1910 and the start of World War I offer two points of departure for this period. The revolution swiftly developed into the first major effort in Latin American history to uproot the system of great estates and peonage and curb foreign control of the area’s natural resources. The famous constitution of 1917 spelled out this social content of the revolution. In the leadership struggle between agrarian and bourgeois revolutionaries, the latter emerged victorious and adopted a program that subordinated the interests of peasants and workers to the goals of rapid capitalist development. Nonetheless, the determined struggles of Mexico’s lower classes made lasting contributions to the construction of a new, modern state that incorporated popular demands for reform and political participation. Moreover, despite discrepancies between its professed social ideals and its practical political-economic achievements, the revolution also unleashed creative energies in art, literature, and the social sciences that gave Mexico a leading role in the cultural life of Latin America.

World War I seriously disrupted the markets for Latin America’s goods and placed difficulties in the way of importing needed manufactured products. As a result, some local capital and labor were diverted from agriculture to manufacturing in an effort to supply these goods. Although the postwar period saw some revival of the export economy, declines in the price levels of Latin America’s exports encouraged a further growth of manufacturing. But at the end of this period, industrialization was still almost completely limited to light consumer goods industries.

The United States, which emerged from World War I as the world’s principal industrial and financial power, soon replaced Great Britain as the major source of foreign investments in Latin America. Continuing the “big stick” and “dollar diplomacy” policies of their predecessors, Democratic and Republican administrations used armed intervention and economic pressure to expand U.S. control over the Caribbean area. By the end of the period, deep Latin American resentment of these strong-arm tactics had forced Republican policy makers to consider a change in dealing with Latin America.

## 1930–1970

In rapid succession, the devastation of the Great Depression and World War II brought substantial changes to the nations of Latin America, the world economic order, and the international balance of power. With the emergence of the United States as a global hegemonic power and the absorption of Japanese and European

capitalists in the herculean postwar task of national reconstruction, international competition for access to and control over foreign markets in Latin America diminished, at least temporarily. This left traditional latifundista oligarchies vulnerable to the political challenges of popular movements from below and often required military dictatorships to preserve their interests. As an alternative to these dictatorships, newly emerging national industrial bourgeoisies were forced to join with, or even help mobilize, alienated peasants, militant workers, indigenous peoples, racial minorities, and women's groups to create a new national corporative state committed to an ambiguous notion of collective social justice, the specific elements of which each constituent faction defined differently.

Ultimately, in virtually every Latin American country, these struggles produced a populist state dominated by a new national bourgeoisie. This new state, in turn, typically subsumed a plethora of local class, ethnic, racial, and clientelist identities to fashion a single new national identity, the foundation of which was national private sector industrial and agricultural development that would benefit, however unequally, all domestic social sectors. To secure this objective, populists like Getulio Vargas in Brazil and Juan Perón in Argentina typically advocated a limited agrarian reform, greater social welfare expenditures, nationalistic and state-centered economic policies like import substitution and export-led industrialization, and an expansion of citizenship rights among workers, women, and racial minorities.

Naturally, from country to country, the scope and intensity of these populist reforms varied proportionately with the level of internal popular political mobilization and its success in shaping the ideology and practice of the new bourgeoisies that occupied the corridors of power. Nonetheless, without substantial foreign competition, these new rulers could afford to raise wages, pay higher taxes, and submit to otherwise expensive state regulations by passing these higher costs on to consumers through a protected price system. Despite the obvious tensions and contradictions that divided the social constituents of Latin American populism, these developmental strategies often produced dynamic economies that expanded the local working class, simultaneously fortified the power of a sometimes fiercely nationalistic bourgeoisie, and consolidated populist political alliances—even as they reinforced the region's capitalist social structures and long-term dependency on external markets.

The Great Depression dramatically exposed the vulnerability of a neocolonial, monocultural economy: the area's foreign markets collapsed, and the prices of its raw materials and foodstuffs fell much more sharply than those of the manufactured goods it had to import. Latin America's unfavorable balance of trade made necessary exchange controls and other trade restrictions that encouraged the growth of industries to produce goods formerly supplied through

importation. World War II, which caused a virtual suspension of imports of manufactured goods, gave further stimulus to the movement for Latin American industrialization.

The nationalist temper of the times also found expression in the formation of state enterprises in such fields as oil exploitation and in efforts to nationalize some foreign-owned utilities and natural resources. The most dramatic example of this trend was the seizure of foreign oil properties in Mexico by President Lázaro Cárdenas in 1938. The new nationalist regimes also made concessions to labor in the form of social legislation but maintained tight control over working-class organizations.

By 1945 the movement for Latin American industrialization could point to some successes. Consumer-goods industries had arisen in all the Latin American republics, and some countries had laid the foundations of heavy industry. Industrial development, however, was everywhere hampered by shortages of capital, lack of advanced technology, and the extremely low purchasing power of the masses. Latin American economists often related these deficiencies to such background conditions as latifundismo and its corollary of wretchedly small farms (minifundismo), widespread disease and illiteracy, and absorption of a large part of the area's economic surplus by foreign investors in the form of dividends, interest, and the like. Meanwhile, aside from the massive assault of Lázaro Cárdenas on the Mexican latifundio, little or nothing was done in the way of agrarian reform.

In the same period, the United States, reacting to the diplomatic and economic losses caused by the old-style imperialism and a wave of "anti-Yanqui" feeling throughout the continent, adopted the Good Neighbor Policy, which proclaimed the principle of nonintervention by one American state in the affairs of another. But the policy represented more of a change in form than in content. Washington's friendly, cooperative relations with such tyrannies as those of Anastasio Somoza in Nicaragua, Rafael Trujillo in the Dominican Republic, and Fulgencio Batista in Cuba ensured a continuance of North American hegemony in the Caribbean. For the rest, the immense economic power of the United States in Latin America, exercised through investments and its role as the area's main trading partner, usually sufficed to obtain approval of its policies in most parts of the continent.

In the new postwar era, the Latin American drive to industrialize continued, but after 1950, with the gradual restoration of competition among the industrially developed capitalist countries, the pace of Latin America's advance slowed and the industrialization process underwent a certain deformation. Perceiving the changes taking place in the Latin American society and economy as a result of industrialization and the growth of urban markets, foreign firms began to shift the bulk of their new investments from agricultural and mining activities to

manufacturing. This shift allowed them to leap over tariff walls and penetrate the Latin American market. The immensely superior resources of foreign firms and their advanced technology gave them a great advantage over national companies. The result was that many small and middle-sized national companies failed or were swallowed up by subsidiaries of foreign firms.

A favorite device of foreign economic penetration was the mixed company, dominated by foreign capital, with native capitalists reduced to the role of junior partners or directors. The huge sums exported annually by foreign companies in profits, dividends, and other types of income led to a process of “decapitalization” that slowed down the rate of Latin American capital accumulation and industrial growth.

The failure to reform archaic agrarian structures and improve income distribution also held back industrialization. Indeed, the experience of those countries that had the largest growth of capitalism, such as Brazil and Argentina, suggested that the new industrial and financial oligarchies were as fearful of social change, as prone to come to terms with foreign economic interests, as the old landed aristocracy had been. During the 1950s and 1960s, ruling elites in various Central and South American countries increasingly abandoned the populist, more or less democratic, state-centered, nationalistic strategies of industrialization that earlier had achieved considerable success in modernizing the region.

A similar shift occurred in Mexico, where the successors of President Lázaro Cárdenas pursued policies favorable to big business and large landowners but neglected the peasantry. As a result, a new corporate hacienda arose and soon dominated Mexican agriculture. By the end of the 1960s, the once fashionable hope that a dynamic nationalistic entrepreneurial class could lead Latin America out of dependence and underdevelopment had largely faded.

Meanwhile, the discontent of the masses, sharpened by the “revolution of rising expectations,” continued to erupt in revolts: in 1944 a revolution in Guatemala had established a standard of democracy and social justice against which later popular movements there and throughout Latin America would measure themselves; a spontaneous rising of Bolivian peasants and miners in 1952 similarly demanded political and economic democracy; a 1964 democratic upheaval in Brazil forced a moderate president, João Goulart, to radicalize his policies with a call for nationalization of oil and wholesale land reform; popular mobilizations in Peru led to a reformist military coup in 1968; in the same year, the Latin American Bishops’ Conference, announcing its intent to exercise “a preferential option for the poor,” introduced the idea of Liberation Theology, and in Mexico, a general protest against authoritarian politics led to the massacre of university students and workers in Tlatelolco Square; urban uprisings, led by Montoneros and Tupamaros, spread throughout the industrial cities of Argentina and Uruguay; and

in 1970 a popular coalition of Chilean industrial workers, peasants, women, and students freely elected the first avowedly Marxist president in the hemisphere. But the single most important popular mobilization in the region was the armed struggle begun by Fidel Castro and his comrades against the Cuban dictator Batista in July 1953. Their long guerrilla war ended with the victorious entry of the rebel army into Havana on January 1, 1959.

The victory of the Cuban Revolution, soon transformed into a socialist revolution, marked a turning point in Latin American history. The swift, thoroughgoing Cuban agrarian reform and nationalization of foreign enterprises and the revolution's successes in raising living standards offered Latin America a radical alternative to development along capitalist lines.

Washington responded to the Cuban threat to the old order in Latin America with a variety of tactics. In 1961, President John F. Kennedy proclaimed the establishment of the Alliance for Progress, designed to show that Latin America's social revolution, with U.S. help, could be achieved peacefully within the framework of capitalism. But within a few years, the failure of the corruption-ridden program to achieve structural change was apparent.

Simultaneously, the U.S. government sought to undermine and destroy the Castro regime, first by economic blockade and political isolation and then by a CIA-sponsored effort by Cuban exiles to invade Cuba (1961), an effort that met with a swift and humiliating defeat. The Soviet Union stepped up its flow of arms to Cuba, which led to the Cuban missile crisis (1962). For ten days, a jittery world lived under the threat of nuclear war between the United States and the Soviet Union. The crisis ended with a pledge on the part of the United States not to invade Cuba in return for the withdrawal of Soviet missiles from the island.

Forced to retreat in Cuba, the United States, supported by the old and new Latin American elites who feared radical social change, redoubled its efforts to prevent a spread of the Cuban "contagion" to other parts of the hemisphere. In 1964 a coalition of reactionary Brazilian military, great landowners, and large capitalists overthrew the mildly progressive government of President João Goulart, whose heresies included a modest program of agrarian and electoral reform. It was succeeded by a heavy-handed military dictatorship that offered large incentives to foreign investors and proclaimed its unswerving loyalty to the United States, which responded with generous financial assistance.

But the movement for structural social change and economic independence proved irrepressible. Nationalist military officers sometimes played a leading role in these upheavals, disproving the common assumption that the Latin American officer class is one reactionary group. Thus, the military takeover in Peru in 1968 was quickly followed by nationalization of key foreign-owned industries and land reform that transferred many large estates to peasants and workers, organized

into cooperatives. The Peruvian Revolution—a revolution from above, without significant participation by the masses—soon faltered, however, primarily because of its failure to break with the traditional strategy of development based on foreign loans and export expansion.

The struggle against neocolonialism scored a temporary major victory with the triumph of the Marxist presidential candidate Salvador Allende and his Popular Unity coalition in Chile in 1970. In three years, it carried out the nationalization of copper mines and banks and a massive agrarian reform and made significant advances in housing, health, and education. But the Allende government also made serious errors. The most serious was its failure to take preventive action against a coup by reactionary military. In September 1973 military plotters overthrew the Allende government. Published evidence has since confirmed the complicity of the United States in a “destabilization” of his government that prepared the way for the coup.

## 1970–2003

By the 1970s, the global marketplace once again had shifted dramatically. The system of international capitalism would no longer tolerate the relatively modest nationalist constraints imposed on foreign corporations in Latin America by populist governments, much less those of democratically elected socialists like Allende. Japanese and European capitalists, with the assistance of the United States and, ironically, a host of local statist protections, had fully reconstructed their war-ravaged economies and once again looked to overseas markets to acquire strategically valuable raw materials, sell surplus products, invest surplus capital, and exploit cheap labor. Meanwhile, the United States itself had experienced a serious economic decline and international competitive crisis, largely the product of its expensive investment in a military establishment designed to police the post-war new world order.

Peaceful resolution of these resurgent international capitalist rivalries seemed to require that the core capitalist countries have freer access to the world’s resources; transnational corporate capitalist elites, through their control of national governments and private organizations like the Trilateral Commission, thereafter sought to promote a neoliberal strategy of economic development that emphasized free trade, an open door for foreign investment, state deregulation of business, privatization, free convertibility of local currencies, tax and spending cuts beneficial to investors and disastrous to workers, balanced federal budgets, currency devaluation, and liquidation of public sector debt. These new “reforms” attacked the material foundation of the old populist political alliances that had supported the region’s state-led industrialization during the previous forty years.

Latin America's established industrial, commercial, agricultural, and financial elites, all of whom had profited handsomely from the nationalistic policies promoted by populists, now found themselves squeezed between resurgent, aggressive foreign interests and growing domestic popular mobilizations that continued to demand expansion of social programs that redistributed power and wealth. Always suspicious of the goals and methods of these popular social movements, these elites also were increasingly attracted to the relatively low-cost loans and lucrative business partnerships that transnational corporations and core capitalist governments promised.

Populist redistributive policies, whose success had always depended on a dynamic economic expansion, increasingly came to rely on foreign loans. However, under President Ronald Reagan, the Federal Reserve Board raised the prime rate from 9 percent in 1979 to 21.5 percent in January 1981—"the highest interest rate since the birth of Jesus Christ," according to West German chancellor Helmut Schmidt. Trapped by these high floating interest rates, in just three years (1981–1983) Latin America had to pay out \$94.8 billion in interest payments, twice the outlay on interest for the whole of the 1970s. Despite the negative impact of the skyrocketing external debt on redistributive policies and state-sponsored economic growth, Latin American elites quickly became enthusiastic champions of foreign-inspired neoliberal strategies. These appeared first in Brazil in 1964, when General Humberto de Alencar Castelo Branco overthrew the democratically elected government of João Goulart. But they reached their fullest expression in the policies of General Augusto Pinochet, who ousted Allende in 1973. His new, openly terrorist military junta, in league with the most reactionary elements of Chile's ruling class and its foreign allies, not only reversed the progressive policies of the Allende regime but transformed Chile into a concentration camp, torturing and killing thousands of opponents. Its economic policies reduced the living standards of the masses to near-starvation levels.

The destruction of Chilean democracy was part of a general counteroffensive by Latin American elites and their foreign allies to halt and roll back the movement for structural economic and social change. By mid-1976 a block of brutal military dictatorships—Argentina, Brazil, Chile, Bolivia, Uruguay, and Paraguay—had taken shape. But these regimes, whose policies included the systematic use of torture and assassination against political opponents and the abandonment of the effort to achieve economic independence, offered no solutions for the deep-seated problems of their countries. Their most shining success, the "Brazilian miracle" of steady economic growth since 1964, was made possible by reducing wages to the subsistence level, an annual inflation rate of about 20 percent, and massive foreign investments that hastened the foreign conquest of Brazilian industry. By the mid-1970s, the "Brazilian miracle" had dissipated, and Brazil was in a deep

recession by 1980, with factories closing, unemployment rising, and a balance of payments problem growing steadily worse.

Other military regimes, such as Argentina and Chile, faced similarly grave economic problems during this “lost decade.” But the crisis was not one of dictatorships alone; it confronted all the countries of the region, whatever their political systems, that pursued a strategy of dependent development based on foreign loans and investments.

At the heart of the continuing debt problem lay the unequal exchange between Latin America and advanced capitalist countries, such as the United States. A major factor in Latin America’s chronic balance of payments deficit was the traditional imbalance between the low prices of Latin American export commodities and the high prices of the manufactured goods and oil that most of the countries in the area imported. Falling commodity prices, themselves the product of growing global competition, greatly aggravated the problem. These unfavorable terms of trade helped to explain Latin America’s mountainous debt.

Certain changes in the Latin American industrialization programs contributed to the growing gap between its exports and imports. Since about 1955, countries like Brazil and Mexico increasingly stressed production of consumer durables and capital goods that required the importation of expensive machinery, equipment, and technical licenses from countries like the United States. The result was a growing surplus of imports over exports. The transnational companies’ takeover of much of the Latin American manufacturing sector contributed to the same result. In the 1970s, for every dollar invested in Latin America, transnationals repatriated approximately \$2.20 to their home countries. To cover the deficits in their balance of payments, Latin American countries had to borrow from Western bankers at interest rates that reached double-digit figures by 1980.

By 1982, with their national treasuries almost empty of foreign exchange, a number of major Latin American countries faced the prospect of immediate default. This posed immense dangers to the international banking system, since defaults by Mexico and Brazil alone could have wiped out 95 percent of the capital of the nine largest U.S. banks. Defaults were averted by emergency aid packages provided by Western governments and bankers in return for agreements by the recipient governments to carry out “austerity” programs that further reduced the living standards of their workers and peasants. Nevertheless, the problem had been postponed, not resolved. There was no prospect that even a portion of the huge Latin American debt could be repaid without large write-offs and long delays in payment. Meanwhile the flow of new loans by commercial banks sharply declined.

In the later 1980s, many Latin American governments deployed strident populist rhetoric about resisting the tyranny of the International Monetary Fund and the World Bank, which monitored debtor countries’ compliance with these

“structural adjustment programs”—privatization of state companies, an end to subsidies, opening their economies to foreign investment—imposed as a condition for new loans. However, they did little more than demand rescheduling of debt payments and lower interest rates. Efforts by Latin American governments to reduce their debt burdens under the Brady Plan proposed by the United States included debt-bond swaps, in which foreign debt was exchanged at a discount for new government bonds, and debt-equity swaps, in which foreign debt was exchanged for equity—that is, shares in local companies. None of this made a serious dent in the region’s foreign debt, which grew between 1990 and 2000 from \$439 billion to \$774 billion, an increase of 76 percent. In the same period, exports grew from \$147 billion to \$359 billion. The debt problem was complicated by the fact that Latin America’s imports grew more rapidly than its exports, with the area’s balance of payments deficit rising from \$6.171 billion in 1990 to \$45.5 billion in 2001. By 1996, despite paying back \$648 billion, the area’s foreign debt had risen to \$611 billion. Four years later, despite devoting 38.7 percent of its export earnings to service the external debt, Latin America’s foreign debt rose to \$774 billion. Without an expansion of exports, a new debt crisis was likely to arise. Meanwhile, major Western banks reduced their Latin American exposure by selling parts of the debt at a discount, setting aside huge reserves to cover possible losses on loans to developing countries, and using the debt-bond swaps and debt-equity swaps just mentioned.

The United States, under successive Presidents Reagan, Bush, and Clinton, used debt as a weapon of coercion and played a leading role in imposing the neoliberal or “structural adjustment” system. The logical next step was the incorporation of Latin America into a U.S.-dominated Western Hemisphere common market that would aid the United States in its competition with Japan and the European Community. A major move toward that goal was approval of the North American Free Trade Agreement with Mexico (1993). By eliminating remaining tariffs and restrictions on investment, the pact ensured that Mexico would become a cheap-labor preserve for U.S. industry, with a loss of better-paying jobs in the United States. The opening of Mexico to U.S. low-cost agricultural products, especially corn, had a devastating effect on less efficient and less productive Mexican small farmers. Similar pacts were planned with other Latin American countries, beginning with Chile, but the more ambitious proposal for a Free Trade Area of the Americas faced growing resistance throughout the region.

Now, after more than a decade of experience with neoliberal policies that promised to produce economic growth, reduce poverty, and promote development in Latin America, the people of the region appear to have become increasingly disillusioned with it. According to polling by *Latinobarómetro*, by the end of the 1990s, almost half the population described the current economic situation

as either bad or very bad; 60 percent said that their parents lived better, more than 20 percent described unemployment as the most important problem in their country, and 40 percent described their economic situation as unstable. Even more important, almost 80 percent complained that income distribution was either unfair or very unfair. Even José Manuel Salazar-Xirinachs, a neoliberal trade adviser to the Organization of American States, reluctantly acknowledged that “liberalization was not the miracle or the magic formula that many expected.”

The chapters that follow document in detail the staggering economic and social costs of the neoliberal or structural adjustment program for Latin America. Here we offer a few social indicators of Latin American “underdevelopment.” Between 1980 and 1990, the number of poor people in the region increased by 66 million from 40 to 48 percent of the population, and a decade later, despite a slight decline in that rate, a record 211 million people remained mired in poverty. Moreover, of these, some 89 million lived in extreme poverty, meaning they could not afford to purchase a basic family food basket that cost one dollar per day. The share of Latin Americans living in extreme poverty increased from 18.6 to 19.4 percent from 1980 to 2002. Even these depressing statistics, however, grossly understated the problem because they measured poverty according to the capacity to purchase subsistence food without considering additional costs associated with housing, health care, education, transportation, clothing, and cooking fuel.

To emerge from underdevelopment, Latin American countries will have to learn from the historical successes and failures of reforms undertaken from the 1930s through the 1970s, when the region, largely left alone to pursue developmental strategies consistent with its internal needs, experienced stable growth and a significant reduction of poverty. For example, Araceli Damián and Julio Boltvinik, in their careful case study of poverty in Mexico, show that by three different measures of poverty, rates fell consistently between 1968 and 1981 and rose steadily thereafter before leveling off in 1996. Sustained growth and social development doubtlessly will require the reinvigoration of “positive government” and its collaboration with nongovernmental organizations to formulate more autonomous, inward-directed strategies of development based on more rational exploitation of human and natural resources. But such strategies cannot be implemented without profound changes in the relations between Latin America and the developed countries and in Latin America’s economic and social structures, particularly in land tenure and use, ownership of industry, and income distribution. Nor can such strategies be implemented without powerful, well-organized social movements that can spearhead a democratic revitalization of Latin American political life that would allow popular interests and wishes to influence the direction of state economic and social policy.

In the early 1980s, in fact, it appeared that a democratic revival had begun as the reactionary tide of the 1970s began to recede, and in country after coun-

try—Argentina, Brazil, Bolivia, Uruguay—discredited military regimes gave way to popularly elected governments. By 1990 the last military or personal dictatorships, in Chile and Paraguay, had fallen. In part because of the long repression of progressive political parties and trade union movements, the emerging democratic movements of the 1980s and 1990s as a rule tended to be politically moderate. Often they cultivated accommodation with the former military rulers, granting pardons or amnesties for their crimes, and thus perpetuated a climate of impunity for human rights abuses. Sometimes, too, the new democratic regimes displayed a broad authoritarian streak, resorting to free use of rule by decree to bypass Congress and other arbitrary measures. Peruvian President Alberto Fujimori's 1992 "self-coup" (*autogolpe*), the Haitian military's 1991 overthrow of populist President Jean-Bertrand Aristide, the collapse of the Argentine economy and its elected government in 2000, and the 2002 aborted coup against Venezuela's populist President Hugo Chávez all revealed the fragility of this democratic revival.

None of these new democracies made a clean break with the failed economic policies of the past. This was reflected in their usual acquiescence in payment of the immense foreign debt and their acceptance of the harsh neoliberal remedies prescribed by the International Monetary Fund and the World Bank. In particular, the acceptance by Latin America's old and new democracies of privatization and tariff-reduction policies represented a virtual abandonment of half a century of struggle to achieve independent capitalist development. Throughout this neoliberal period, in countries like Mexico, Brazil, Argentina, Peru, and Bolivia, these policies resulted in higher unemployment and lower living standards, relieved in Peru and Bolivia by a thriving informal or underground economy based on the production of coca and cocaine. The reliance by Peru, Colombia, and Bolivia on the demand for cocaine in the United States and Europe represents a grotesque new kind of Latin American "dependency" on the advanced countries.

## 2003–2008

But as the new millennium opened, neoliberalism, which demolished Latin America's statist institutions and the old populist, corporative consensus that underwrote them, was unable to fashion a cohesive new social order. In this age of neoliberalism, the fruits of an unregulated marketplace proved incompatible with basic human needs; everywhere the signs of discontent proliferated as the insistent political-economic demands of foreign bankers and Latin America's "new billionaires" conflicted with popular democratic political aspirations. In the Mexican state of Chiapas, the dramatic 1994 revolt led by the self-styled Zapatista Army of National Liberation was called an "armed critique" of Mexico's neoliberal policies.

Electoral opposition to neoliberalism also continued to grow. Brazil's Lula (Luis Inácio da Silva) of the Socialist Workers' Party won the 2002 presidential elections with the support of women, blacks, and diverse social movements like the Landless People's Movement (MST). In Ecuador and Bolivia, indigenous people, trade union activists, women's organizations, and student groups mobilized to resist neoliberal austerity programs and to elect progressive nationalist presidents like Bolivia's Evo Morales and Ecuador's Rafael Correa.

Environmentalists, indigenous groups, and trade union organizations in Venezuela similarly organized to support the election of President Hugo Chávez, running on a populist platform opposed to neoliberalism. He inaugurated new policies that reinforced state control of the Venezuelan oil industry, whose rising revenues funded a range of antipoverty programs at home and abroad.

In Argentina, neoliberalism produced high rates of unemployment and provoked massive street demonstrations that forced the nation to close its banks and default on its foreign debt payments. Spreading poverty, popular political protest, and food riots quickly swept successive neoliberal presidents from power and ultimately elected a new populist president, Néstor Kirchner, who, like most Argentines, angrily blamed the wealthy bankers and industrialists for the neoliberal debacle. "We're somewhat less popular than serial killers," one banker candidly confessed to *The Economist*.

By 2002 the neoliberal model, for over a decade the dominant policy prescription for Latin American development, ceased to offer credible solutions to the region's many social, economic, and political problems. Its patent failure to promote genuine development, raise living standards, and reduce the gigantic Latin American foreign debt gave new life to broad regional and national social and political movements. These typically united labor unions, indigenous rights groups, activist women, peasant cooperatives, and community organizations intent on securing social justice and democratic models of development. Even once stalwart neoliberals like Joseph Stiglitz, the World Bank's chief economist, appeared to have lost faith in the developmental potential of the "free movement of capital."

As the new millennium opened, Latin America appeared to be perched on the precipice of a new era in its historic struggle for development and social justice. Within a few short years, popular movements throughout the region had won significant victories, organizing in homes, workplaces, and polling places. By 2007 they brought to power progressive nationalist governments in Argentina, Bolivia, Brazil, Chile, Nicaragua, Uruguay, and Venezuela. In Mexico, electoral victory proved elusive, but only by a razor-thin margin of .56 percent of the vote.

Although there were considerable ideological and practical political differences—not to mention sometimes conflicting national interests—among these elected governments, all seemed to agree that their first responsibility was to pro-

mote social justice. The primary instrument for their program of national development was the state, either in its capacity as a regulator of private sector market activities or as a direct producer of national wealth. They generally advocated national ownership of the economy's "commanding heights"—the key strategic nonrenewable natural resources on which national development depended. State-funded poverty-eradication programs formed a core component of their national agendas, and they sought to increase public sector spending on education and health services for the poor. They happily embraced regional economic cooperation through either established organizations like Mercosur, the South American common market, or bilateral partnership agreements like Misión Barrio Adentro, a Venezuelan program to provide Cuba with oil in exchange for Cuban doctors to staff medical clinics in poor Venezuelan neighborhoods. Finally, they sought to reduce their dependence on foreign bankers, especially the IMF, first by renegotiating debt obligations and then, if possible, liquidating them.

Although the ultimate success of these new progressive nationalist governments to achieve a healthy mix of state and private sector market activities remained uncertain, one conclusion was inescapable: over the past century, the historic struggle of Latin American peoples for an elusive national development that combined economic growth and social justice had produced certain unmistakable changes in the region's social structure, political consciousness, and cultural institutions. The specific national experiences are detailed in the following chapters, but a brief general summary may prove useful.

## The New Social Class Structure

Naturally, Latin America's contemporary class structure was very much a product of its historical evolution. Although the capitalist mode of production, based on contractual wage labor, was dominant since about 1880, the area still had not made a clean break with its precapitalist past. This was reflected in the survival of slavery, debt peonage, and other forms of forced labor in various parts of the continent. Such servile or feudal forms of labor were usually associated with primary industries like agriculture, cattle raising, and logging. These typically were located in politically and socially backward regions dominated by great landowners or powerful companies, where the state was weak and its representatives often corrupt and ready to make deals with the dominant elite.

By the middle decades of the twentieth century, meanwhile, industrialization, urbanization, and the commercialization of agriculture had significantly altered the Latin American social structure and the relative weight of the various classes. These changes included the transformation of the old landed elite into a new *latifundista* capitalist class, the emergence of a big industrial and financial

bourgeoisie with close ties to foreign capital, growth of urban middle sectors, and the rise of a small but militant industrial working class.

In the early twenty-first century, such quasi-feudal conditions still existed in Brazil's "Wild West," its Amazon frontier, where defenders of the rain forest, indigenous peoples, and small farmers were threatened with death and murdered with impunity. Here thousands of peasants, lured from other parts of the country by promises of good jobs, free housing, and plenty of good food, often found themselves reduced to slavery, felling trees, and tending cattle deep in the jungle. One who managed to escape said that "particularly troublesome workers, especially those who kept asking for their wages, were sometimes simply killed." According to a *New York Times* report, even government officials conceded that "contemporary forms of slavery" flourished in the rainforest for various reasons ranging "from ranchers in cahoots with corrupt local authorities to ineffective land-reform policies and high unemployment." Slavelike conditions of labor existed in other regions of Brazil—for example, in the sugar cane factories of Bahia.

Child labor, in violation of the law, flourished among the 1 million Mexican migrants—*jornaleros* (day laborers)—and their families, who abandoned their homes for part of the year to move north with the harvests. They did not leave their homes, observed a sympathetic *New York Times* reporter, because they were looking for better wages; "they are looking for any wages." There were no jobs at home, and their only means of subsistence was the growing of beans and corn on their little milpas. The \$1,500 that he and his family hoped to take home at the end of the harvest, one migrant said, was just about all the money they would see for the year. "If the whole family," including his three children aged eight, ten, and eleven, "does not work," he explained, "we all starve." In a time of growing unemployment and general instability of labor, illegal forced labor and child labor obviously exerted considerable downward pressure on wages, living standards, and efforts to organize unions. Although neoliberal policies largely neglected the growing problem of child labor, estimated in 1999 at 17.5 million working children between the ages of five and fourteen, progressive nationalists like Lula in Brazil have joined with international organizations like the U.N.-sponsored International Labor Organization to reduce child labor dramatically. In the past four years, the share of child workers in Latin America fell by two-thirds from 17 to 5 percent.

The neoliberal economic policies adopted by most Latin American governments during the 1990s, favoring multinationals and their local allies, also caused a sharp decline in the number and influence of small and medium-sized national manufacturers. The privatization or dismantling of many state enterprises, reduction of social services, and a general downsizing of the state as part of "structural adjustment" programs demanded by the IMF also caused growing

impoverishment and unemployment among the middle class and the working class. A survey of these and other developments suggests the complexity of modern Latin American class alignments and the possible direction of future social and political change.

### **THE GREAT LANDOWNERS**

Although they had to yield first place economically and politically to the new bourgeoisie, with which they maintained close links, the great landowners, Latin America's oldest ruling class, retained immense power, thanks to their control over the land and water resources of the area. Over the last century, there was a major expansion of the latifundio, especially of the new agribusiness type, which produced industrial and export crops with the aid of improved technology and wage labor. During the 1990s, the dominant policies of free trade and open doors to foreign investment further spurred the trend toward concentration of landownership and penetration of Latin American agriculture by foreign capital. The Mexican government's approval in 1991 of an agrarian law that ended land redistribution and legalized the sale or rental of communally owned ejido land illustrated the shift toward policies favoring the rise of a new latifundio.

The traditional hacendado was a vanishing breed. His successor was often a cosmopolitan, university-trained type who combined agribusiness with industrial and financial interests. But the arbitrary and predatory spirit of the old hacendados survived in the new latifundistas. The great landowners continued to be the most reactionary class in Latin American society.

### **THE NEW BOURGEOISIE**

A native commercial bourgeoisie arose in Latin America after independence and consolidated its position with the rise of the neocolonial order after mid-century. In the second half of the nineteenth century, an industrialist class, which included many immigrants, appeared in response to the demand of a growing urban population for consumer goods. World War I further stimulated the movement for export-led, import-substitution industrialization. But the day of the industrial entrepreneur did not arrive until the great economic crisis of 1930 disrupted the trading patterns of the area. Aided by favorable international and domestic background conditions and massive state intervention, the native industrial bourgeoisie quickly gained strength and in many countries displaced the landed elite as the dominant social and economic force. As a rule, however, the new bourgeoisie avoided frontal collision with the latifundistas, preferring to form bonds of kinship and interest with the landed elite.

Meanwhile, foreign capital, attracted by the potential of the growing Latin American market, began to pour into the area, particularly after 1945. Possessing immensely superior capital and technological resources, foreign firms absorbed many small and middle-sized national companies and came to dominate key sectors of the economy of the host countries. Aware, however, that the survival of a national bourgeoisie was essential to their own security, foreign capitalists endeavored to form close ties with the largest, most powerful national firms through the formation of mixed companies and other devices. This dependence on foreign corporations explains why the Latin American new bourgeoisie often lacked enduring nationalist sentiment.

In its youth, some sections of the Latin American national bourgeoisie supported the efforts of such nationalist, populist chieftains as Cárdenas, Perón, and Vargas to restrict foreign economic influence and accepted, though with misgivings, their concessions to labor. But soon the new bourgeoisie adopted the hostility of its foreign allies to restrictions on foreign capital and independent trade unionism. With rare exceptions, these capitalists supported repressive military regimes in such countries as Brazil, Argentina, Uruguay, and Chile, until, convinced that the policies of those regimes threatened the stability of capitalism itself, they became converts to democracy.

Neoliberal policies during the 1990s gave an immense stimulus to the alliance of foreign multinationals and local capitalists, an alliance in which foreign capital played the dominant role. The process was under way in many countries but particularly in Brazil, Argentina, Mexico, Chile, and Venezuela. Privatization became a major instrument for denationalizing the Latin American economy through auctions and debt-equity swaps that virtually donated valuable state companies to foreign firms. Small groups of local capitalists linked to foreign capital and with “crony” connections to the ruling parties also benefited by the privatization process. In Mexico, for example, after the 1992 privatization of the banking system, “a mere 224 investors held effective control of the Mexican banks. . . . This oligarchy controls the fundamental instruments of economic—and indirectly—political power in Mexico today.” Typical of these aggressive new entrepreneurs was Carlos Slim Helú, ranked third in the *Forbes* 2006 list of the world’s richest men. With a fortune estimated to be more than \$30 billion, Slim, in partnership with two associates and two foreign firms, bought the Mexican telephone giant Telmex during the administration of his friend and business associate Carlos Salinas. Paying little cash and using credit advanced by a number of banks, he paid a mere \$1.7 billion for a company whose worth was estimated to be close to \$12 billion. After the sale, the price of the company stock “went through the roof.” Slim also owned the Denny’s and Sanborn’s restaurant chains and Mexico’s most profitable investment firm in 1996, Carso-Imbursa, in addition to having a monopoly on

cigarette manufacturing. His cousin Alfredo Harper Helú was one of a group of billionaires who controlled Banamex, one of Mexico's three largest banks.

Narcorevenues produced another crop of Latin American "new rich." For obvious reasons, the membership of the group and the extent of its wealth cannot be stated with certainty. (U.N. agencies put the annual revenue generated by the illegal drug industry at \$460 billion, roughly the equivalent of 8 percent of total international trade.) What is certain is that its wealth was vast and that its activity—as revealed in a 1998 U.S. money-laundering sting that led to the arrests of about two dozen Mexican bankers—often intersected with the legitimate operations of Latin American entrepreneurs. The drug traffic, the neoliberal policies pushed by the IMF, the World Bank, and other agencies, and the drug war pushed by the United States "all intersected in an explosive way." By imposing austerity and privatization measures and by dismantling the Latin American state, neoliberalism created massive unemployment that "generates thousands of recruits for the drug trade—coca growers, day laborers, smugglers, enforcers." By "freeing up" financial markets, neoliberalism also made it easier to launder drug profits and invest them in "legitimate" activities. And by making international borders more porous, trade liberalization created insuperable obstacles to effective interdiction.

### **THE URBAN MIDDLE SECTORS**

The urban middle sectors occupied an intermediate position between the new bourgeoisie and the landed elite on the one hand and the peasantry and the industrial working class on the other. The boundaries of this intermediate group with other classes were vague and overlapping. At one end, for example, the group included highly paid business managers whose lifestyles and attitudes identified them with the new bourgeoisie; at the other, it included store clerks and lower-echelon government servants whose incomes were often lower than those of skilled workers.

The longest-established urban middle sector consisted of self-employed artisans, shopkeepers, and owners of innumerable small enterprises. White-collar employees formed another large urban intermediate sector. Urbanization, the growth of commercial capitalism, and the vast expansion of the state in the middle decades of the century contributed to the growth of both public and private bureaucracies. Until recently, public employees made up about one-fifth of the economically active population of the area.

University students composed a sizable urban middle sector. Between 1960 and 1970, their number rose from 250,000 to over 1 million. The great majority came from middle-class backgrounds, and many combined work and study.

Student discontent with inadequate curricula and teaching methods and the injustices of the social and political order made the university a focal point of dissidence and protest. But, in the end, the students were merely transients, in Latin America as elsewhere, and their radical or reformist zeal often subsided after they entered a professional career.

Because of their great size, the ideology of the urban middle sectors and their actual and potential role in social change were issues of crucial importance. Following World War II, many foreign experts on Latin America, especially in the United States, pinned great hopes on the “emerging middle sectors” (to which they assigned the new industrialist class) as agents of progressive social and economic change. The history of the following decades did not confirm these expectations. The urban middle sectors mushroomed, but with the exception of many students and intellectual workers—teachers, writers, scientists—they were not a force for progressive social change.

But the urban middle sectors should not be written off as hopeless reactionaries. By their very intermediate nature, they were capable of strong political oscillations, especially in response to the movement of the economy. The “savage capitalism” implanted in many Latin American countries in recent decades by both military and civilian governments played havoc with middle-class living standards and expectations. In the process it also transformed the traditionally complacent urban middle sectors.

A good example of such a transformation was *El Barzón*, a Mexican middle-class debtors’ union that took its name from the leather strap that held the oxen to the plow on the great haciendas of prerevolutionary times. With a membership exceeding half a million Mexicans in thirty-one states and the Federal District, *El Barzón* became the largest, most militant resistance movement formed in the wake of the peso’s crash in 1994. This sent interest rates up over 100 percent and threatened thousands of farmers, small businesses, and assorted members of the middle class with financial ruin. With a combination of direct action that included the public burning of credit cards and the blocking of entrances to bank branches to shut down their operations, *El Barzón* stopped foreclosures and imposed a moratorium on the banks. *El Barzón* also formed links with domestic and foreign trade unions, the Catholic Church, debtors’ unions in other Latin American countries, and the Zapatista rebellion in Chiapas. Its national director, Juan José Quirino, became a senator of the progressive nationalist Partido Revolucionario Democrático (PRD). “It’s not just personal debt that we are talking about now—the foreign debt is the mechanism by which the IMF keeps us chained up,” says Quirino. “Latin American debtor nations missed the opportunity to unite after 1982. This time we must be ready to fight for a continental moratorium.”

### THE PEASANTRY

The term *peasantry* refers here to all small landowners, tenants, and landless rural laborers. As documented in the following chapters, the expansion of the new type of latifundio created an unparalleled crisis for the Latin American peasantry. The increased use of tractors and other kinds of mechanized farm equipment had already displaced millions of farm workers, and the process was accelerating. The removal of trade barriers, opening national markets to competition with more efficient foreign grain producers, threatened the existence of small farmers. Meanwhile, the neoliberal trend reversed land reforms and produced a growing exodus of impoverished peasants to the overcrowded cities or, in the case of Mexican and Central American campesinos, a dangerous and sometimes unsuccessful journey across the border into an increasingly inhospitable United States. Behind these desperate migrations were sharply declining standards of living. Poverty, conservatively estimated by the World Bank at 25 percent in 1981 before the introduction of neoliberal reforms, rose sharply to 69 percent in 2000.

### THE INDUSTRIAL WORKING CLASS

The rapid growth of capitalism in Latin America since about 1930 was accompanied by a parallel growth of the industrial working class. Although miners and factory workers formed the best-organized and most class-conscious detachments of the army of labor, they were a minority of the labor force. Artisans, self-employed or working in shops employing less than five persons, constituted the largest group. The predominance of the artisan shop, whose labor relations were marked by paternalism and individual bargaining, hindered the development of workers' class consciousness and solidarity.

Despite its small size, the industrial working class played a key role in major movements for social and political democracy in Latin America. Armed Bolivian tin miners helped achieve the victory of the 1952 revolution and its program of land reform and nationalization of mines. Cuban workers gave decisive support to the guerrilla struggle against the Batista dictatorship, and their general strike in 1959 helped topple it. The working class of Buenos Aires intervened at a critical moment in 1945 to save Juan Perón from being overthrown by a reactionary coup, and its pressure broadened his reform program. In Chile the working class led the Popular Unity coalition that brought Salvador Allende to the presidency, ushering in a three-year effort (1970–1973) to achieve socialism by peaceful democratic means.

These advances—particularly the Cuban and Chilean revolutions—provoked a counterrevolutionary reaction that until recently was still ascendant. In many

countries under personal or military dictatorships, all working-class parties were banned, trade unions were abolished or placed under strict government control, and many labor leaders were murdered or forced into exile.

The gradual restoration of formal democracy in the region, accompanied by the imposition of the neoliberal economic model, did not bring full recognition of labor's right to organize and other basic rights. In Chile, for example, the new civilian government retained many features of the Pinochet labor code. In Mexico, workers could not freely join unions of their choice, and most union members were forced to join unions affiliated with the ruling Partido Revolucionario Institucional (PRI). In the export-processing areas, like Mexico's maquila sector or the Central American and Caribbean free-trade zones, union rights were routinely ignored. In Argentina, with the election of Carlos Menem in 1989, "a vicious labor counterreform was set in motion" that gutted the traditional Labor Contracting Law, with the result that nearly 90 percent of new hires were temporary rather than permanent. The changes in workplace accident legislation also caused health and safety conditions to deteriorate dramatically. The stated objective of the law was to create more jobs, but the result was just the opposite, with Argentine unemployment and underemployment estimated at 40 percent of the economically active population.

But Latin American workers still continued the struggle for equality and social justice. In Mexico, a new federation with 1.5 million members, the National Workers' Union, led by Francisco Hernández Suárez of the telephone workers' union, challenged the Mexican Confederation of Labor (CTM), which held wages to levels decreed by the government and collaborated with the security forces to repress independent unionists. In Mexico's maquila sector and the Central American garment sweatshop zone, some breakthroughs in trade-union organization and improvement of working conditions occurred as a result of cooperation between independent local unions and their counterparts in the United States. The struggle for workers' rights often targeted neoliberalism, whose downsizing of the state and other "structural adjustment" policies led to the virtual disappearance of some national industries, a rapid expansion of the informal economy, and the massive unemployment and atomization of labor.

### **THE SERVICE OR INFORMAL SECTOR**

According to the International Labor Organization, from 1980 to 1992, informal-sector employment rose from 40.2 percent to 54.4 percent of total employment and grew 3.9 percent per year thereafter. This made the informal sector the largest source of employment in Latin America, including "a great number of poorly paid domestic servants and a mass of individuals who eke out a precarious living as lottery ticket vendors, car watchers and washers, shoe shiners, and street ped-

dlers.” But the meaning of “informal sector” was extremely elastic and the list of occupations that fit the category almost endless. Its main defining elements were self-employment and the irregular and precarious nature of the work. “‘Informal sector,’” observes sociologist Tessa Cubitt, “implies a dualist interpretation of the urban economy, since it proposes a dichotomy between a formal modern capitalist sector in which big businesses and multinationals flourish and the mass of the poor who are unable to benefit from participation in this sector.”

In fact, many of the activities of the informal sector were integrated into the modern capitalist sector, and the links between them were exploitative. The garbage pickers of Cali, Colombia, collected wastepaper, which they sold to warehouses, which in turn sold it to the giant paper company Cartón de Colombia, whose main shareholder was the Mobil Oil Company. “Why,” asks Cubitt, “does Cartón de Colombia not directly employ the garbage pickers? Clearly, it is cheaper for them to operate like this because they do not have regular wage bills to pay. The income the garbage pickers receive for each item is extremely low and reduced even further by the competition between them, which is encouraged by the system that is very much a buyer’s market.” In effect, the low income of the garbage pickers subsidized the multinational Cartón de Colombia. Similar exploitative relations existed between manufacturers and workers who subcontracted to do work in their own homes and were paid for each completed piece. In all such cases, the companies saved on wages and the costs of social security benefits; this system had the additional benefit of keeping workers weak and divided, unable to present a common front to employers.

## The New Political Consciousness

Change was in the air of Latin America as it entered the last quarter of the twentieth century. Economic change produced a transformation in family life, race relations, education, and the whole superstructure of society, but the old attitudes and mentalities struggled hard to survive. As a result, Latin America presented dramatic contrasts between customs and mores that were as new as the Space Age and others that recalled the age of Cortés and Pizarro. Increasingly, women, blacks, and indigenous peoples organized themselves politically and demanded their fair share of society’s resources.

### GENDER

The status of women was a case in point. In some ways that status had improved; the struggle to obtain the vote, for example, began around World War I and ended successfully when Paraguay granted women suffrage in 1961. More and more Latin American women held appointive and electoral offices, and in increasing

numbers they entered factories, offices, and the professions. By 1970, in some countries, notably Brazil and Argentina, the percentage of women classified as professionals was higher than the percentage for men, a significant fact because the proportion of economically active women was much lower than that of men. In Brazil, out of every one hundred women working in nonagricultural services in 1970, eighteen were engaged in professional and technical operations, whereas for men the figure was only six out of every one hundred. The ratios were reversed, however, for positions of higher responsibility, reflecting the persistence of discriminatory attitudes.

The movement for women's rights could claim much less progress in such areas as family patterns, divorce laws, and sexual codes. The traditions of the patriarchal family, of closely supervised courtship and marriage, continued strong among the upper and middle classes. The ideology of machismo, the cult of male superiority with its corollary of a sexual double standard, continued to reign almost everywhere in the continent. "The Mexican family," wrote sociologist Rogelio Díaz-Guerrero, "is founded upon two fundamental propositions: (a) the unquestioned and absolute supremacy of the father and (b) the necessary and absolute self-sacrifice of the mother." The flood of economic, political, and social change of almost three decades weakened the force of this statement, but with some qualifications it still held for most Latin American republics.

Socialist Cuba, however, made great advances in abolishing sexual discrimination in law and practice. In 1975 it introduced the Family Code, which gave the force of law to the division of household labor. Working men and women were required to share housework and child care equally, and a spouse could take her recalcitrant partner to court. But Vilma Espín, head of the Cuban women's movement, admitted that the law was one thing and the way people lived was another: "Tradition is very strong. But we have advanced. Before, the machismo was terrible. Before, the men on the streets would brag about how their wives took care of them and did all the work at home. They were very proud of that. At least now we have reached the point where they don't dare say that. That's an advance. And now with young people you can see the difference."

Nicaragua was another country where a liberating revolution transformed the lives and roles of many women. Women, both rural and urban, took part in the struggle against the Somoza tyranny and made an immense contribution to its final triumph in July 1979. Women prepared for the final offensive by stockpiling food, gathering medical supplies, and organizing communications networks to send messages to Sandinista fighters and their families. By the time of the final victory, from one-quarter to one-third of the Sandinista People's Army was female—some as young as thirteen. Three women were guerrilla commanders; two served on the general staff of the People's Army. Following the triumph of the

revolution, women assumed responsible positions at all levels of the Sandinista government. A similar process of women's liberation took place as part of the revolutionary struggle in neighboring El Salvador.

In the Southern Cone, women took the lead in the struggle against the military dictatorships that arose in Chile (1973), Uruguay (1973), and Argentina (1976). That role was thrust upon them as a result of the repressive policies of the dictatorships, the banning of trade unions and political parties, and the murder or disappearance of thousands of activists. Women paid a price for their sacrifices. Thirteen members of the Argentine human rights movement, including the president of the Mothers of the Plaza de Mayo, who demanded an accounting for their disappeared children, vanished into the death camps.

Despite their services, women in Cuba, Nicaragua, and the countries of the Southern Cone had not achieved full recognition of their equality. Gioconda Belli, a former Nicaraguan guerrilla leader, complained, "We'd led troops into battle, we'd done all sorts of things, and then as soon as the Sandinistas took office we were displaced from the important posts. We'd had to content ourselves with intermediate-level positions for the most part." Her complaint was echoed by a Uruguayan trade unionist who had taken part in the struggle against the military dictatorship. "When the men came out of prison or returned from exile," she lamented, "they took up all the spaces, sat down in the same chairs, and expected the women to go back home." And Rosa, one of the Chilean working-class women who played key roles in the resistance to the military dictatorship, wryly remembered, "When the democratic government took over, the men around here said, 'It's okay, Rosa, you can leave it to us now.' We thought, 'Have they forgotten everything we did during the dictatorship?'" Consciously or unconsciously, the old prejudices persisted in the thought patterns of men—even radicals and revolutionaries—from one end of the area to the other.

Women responded to the continuing challenge of machismo by forming a multitude of groups that, whether or not they called themselves feminist, had as their essential goal the end of the old, unequal relations between the sexes. One *encuentro*, or meeting, in Nicaragua in March 1992 brought together some five hundred Central American women "who talked about the power Central American women have in their 'public' and 'private' lives, the kind of power they would like to have, and how to go about getting that power." But women were divided among themselves by class, and Latin American working-class women often criticized traditional feminist organizations as middle class and indifferent to their own practical needs. "We have things in common with middle-class women, but we also have other problems that middle-class women don't have, like the housing shortage, debt problems, unemployment," said one Chilean woman activist, "and we're not going to advance as women if the two things aren't closely linked."

Economic forces, in particular the disastrous impact of neoliberal economic policies on household incomes and living standards, were silently transforming gender and familial relations in many parts of the area. It was becoming increasingly difficult for one wage to support a family. From sheer necessity, women were entering industry in record numbers. According to the InterAmerican Development Bank and the Economic Commission on Latin America, the proportion of women in the labor force rose 50 percent, from almost 18 percent in 1950 to just under 27 percent in 1990. By 2003 women composed 46 percent of the region's labor force.

The results were particularly evident in an area like the Caribbean Basin, where declining traditional exports such as sugar, coffee, and bananas—industries that employed a predominantly male labor force—gave way to export manufacturing, which typically used poorly paid women workers. Similar economic trends, challenging male dominance in the household, were under way in other countries of the region.

As Latin America entered the twenty-first century, however, a growing gulf appeared between women's legal and social equality. A major legal achievement was the passage of national legislation to prevent and punish violence against women, modeled on the United Nations' Convention on the Elimination of All Forms of Discrimination Against Women. Still another was the creation of state bureaucracies to advance women's interests, which were sometimes linked to larger agencies responsible for the areas of culture, education, or the family. Finally, in country after country during the 1990s, laws were adopted that established quotas for women in each party's list of candidates. During Fujimori's ten-year rule in Peru, for example, Congress required political parties to field women candidates in at least 30 percent of local and congressional races, enacted laws against domestic violence, and authorized both a Ministry of Women and a Public Defender for Women. Indeed, during Fujimori's last, brief, and chaotic administration, a governing council composed entirely of women ran Congress.

But, as Maruja Barrig points out, the cause of women's legal equality often advanced without improving their deteriorating social and economic conditions. "In the 1990s, for example, 70 percent of the Bolivian population was considered poor, climbing to 90 percent in rural areas. In Peru, close to 50 percent of the population is classified as poor. The literacy rate among the female indigenous population, as a group, is the lowest in Latin America. The 1991 national census in Bolivia found that 50 percent of rural women could not read. In Peru, according to the 1993 National Census, the figure was 43 percent." And the health statistics, Barrig notes, "are no less alarming. . . . In Bolivia, there are 300 maternal deaths for every 100,000 births, but in Potosí, the number of maternal deaths per 100,000 could reach 600." Noting that, after Haiti, Bolivia and Peru had the

highest rates of maternal death in Latin America, the United Nations Population Fund described this as “one of the most dramatic representations of social injustice and the inequality among women.”

Meanwhile, Salvadoran lawmakers, responding to pressure from pro-life groups, eliminated the four legal options for abortion from the country's 1997 legal code, and Nicaragua followed suit in 2006, despite opinion polls that showed public support for a woman's right to choose abortion under some conditions. In Chile conservative forces defeated a divorce law and retained in the civil code the statutory definition of the husband as the “head” of the family. In response to these defeats and “internal cracks in the institutional structures created for women,” Barrig notes that “in the search for the possible, a subtle pragmatism appears to have become lodged in the strategies of feminists playing by the rules proposed by others.” Nonetheless, the strategy appeared to pay off in 2004, when Chile finally passed a law recognizing legal divorce. Two years later, Chileans elected the first independent woman president in the Americas, Michelle Bachelet, herself a single mother of three children by two different fathers.

### **RACE PREJUDICE**

Notions of the inferiority of blacks and indigenous peoples were everywhere officially disapproved, but race prejudice remained strong, especially among upper- and middle-class people who identified themselves as white. In Brazil, often touted as a model of racial democracy, sociologist Florestan Fernandes found that these people clung to “the *prejudice of having no prejudice*, limiting themselves to treating blacks with tolerance, maintaining the old ceremonial politeness in interracial relationships, and excluding from this tolerance any true egalitarian feeling or content.” In 2002, Brazilian newspapers carried advertisements from private companies that called for a “good appearance,” a code phrase meaning that blacks should not apply. In a 2000 census, only 6 percent of the population of 170 million identified themselves as black, a low figure that proponents of reform attributed to discrimination and a poor racial self-image. A DNA study by Brazilian scientists suggested that as many as 80 percent of Brazilians had African ancestry. But only 2.2 percent of Brazil's 1.6 million college students were black, and blacks were almost invisible on television except in menial or exotic roles. Under pressure from the Brazilian Black Movement, the Brazilian Congress debated a 2003 law that reserved 20 percent of university admissions for blacks and applied the same figure to Civil Service jobs. The plan also required black or mixed-race actors to compose 25 percent of the cast of any theatrical or television production. Thereafter, the progressive nationalist government of Lula da Silva created a new state ministry responsible for eradicating racial inequality and advancing

the interests of black and mixed-race Brazilians (*pardos*), who together compose roughly half the population.

Unlike the situation in the United States, where people identified themselves as either white or black, there was a kind of “sliding scale” of prejudice and discrimination in Brazil, Venezuela, Colombia, and other Latin American countries with large black populations. Here, the shade of skin color—varying degrees of whiteness—typically favored *pardos* over blacks. As a rule, the higher occupations such as medicine, law, upper-level government posts, and the officer and diplomatic corps were closed to both categories. But *pardos* could aspire to become schoolteachers, journalists, bank tellers, low-level municipal officials, and the like. The lowest-paid jobs were reserved for dark-skinned people. The virulent opposition attacks on populist President Hugo Chávez of Venezuela, who boasted of his black and indigenous ancestry, had a clear racist component.

Even in black Haiti, a vast economic and social gulf separated an urban mulatto elite from the rural black masses of poor people and the “black ghetto” of downtown Port-au-Prince. In the neighboring Dominican Republic, the late president Joaquín Balaguer had preached an overt racism, claiming that the “biological imperialism” of Haitian immigrants threatened his “white and Christian” country. In fact, the Dominican Republic has been described as the only true mulatto country in the world. A pervasive Dominican racism, based on a rejection of African ancestry and on supposed links with a superior indigenous Spanish racial heritage, led to many assaults against the large Haitian immigrant community, the most lethal of which was Rafael Trujillo’s 1937 massacre of some twenty thousand unarmed Haitians. Meanwhile, only revolutionary Cuba had largely eliminated racism in both theory and practice; here, blacks held high positions in government, the armed forces, and the professions. But the roots of racism in a country with Cuba’s history were deep and strong, and Castro himself recognized that racial, gender, and class prejudices persisted.

The indigenous peoples of Latin America remained the principal victims of racist exploitation and violence. In Brazil, according to one recent estimate, the number of indigenous people had dropped from 1 million to 180,000 since the beginning of the twentieth century. This process of cultural destruction in the interests of economic progress continued unabated. Since 1975 some one thousand Yanomamis, of the nine thousand living in Brazil and twelve thousand in Venezuela, had been murdered, mostly by gold miners. Similar wanton killings were reported in the jungle lowlands of Colombia, and murders of natives by land-grabbing hacendados or their *pistoleros* (gunmen) occurred in Mexico, Guatemala, and other countries with sizable indigenous populations. In Guatemala military regimes practiced systematic genocide against the Maya and attempted to eradicate their culture.

In some countries the native peasantry was subjected to a many-sided economic, social, and cultural exploitation. "The Indian problem," writes Mexican sociologist Pablo González Casanova, "is essentially one of internal colonialism. The Indian communities are Mexico's internal colonies. . . . Here we find prejudice, discrimination, colonial forms of exploitation, dictatorial forms, and the separation of a different population, with a different race and culture." Some Mexican social scientists claimed that Mexicans had long been blind to their own racism and discrimination. One cited a paragraph written in 1985 by a leading historian, Enrique Krauze: "Mexico constructed a tradition of natural liberty and equality that was rooted in the culture of the people and freed us very early from slavery, servitude, and racism."

These revisionist scholars assigned much of the blame for this blindness to an indigenous policy that dated from the time of independence, and that gave native peoples (and people of African descent) the option of abandoning their cultures or becoming wax figures in a historical museum. The framers of this integrationist policy, whose good intentions were not questioned, included such illustrious names in scholarship or politics as Manuel Gamio, Gonzalo Aguirre Beltrán, Alfonso Caso, and the revered Lázaro Cárdenas. Adding a touch of humor, the ethnologist Luz María Martínez Montiel declared that the anthropologists themselves had made the important Instituto Nacional Indigenista "the last encomienda in Mexico." For Martínez, integration of the indigenous peoples consisted not in despoiling them of their identities and cultures but in ensuring their equal rights in the process of production, education, and expression. And it is they, she stressed, who must decide.

In the spring of 2001, the Zapatista Army of National Liberation, led by Subcomandante Marcos, staged an impressive march from Chiapas to Mexico City to demand indigenous autonomy and control of their resources. On the way north, the Zapatista caravan was greeted by thousands of supporters and received petitions and memorials like the Declaration of the Indigenous Peoples of Morelos:

What do we want and demand? To be treated with respect as indigenous peoples. That we should not be jailed for defending our land. That there should be true justice. An end to industrial and commercial megaprojects in communal and ejido land. An end to the destruction of our forests, waters, and natural resources. An end to the neoliberal modernization that is causing the disappearance of the indigenous peoples. That we be taken into account when decisions are made. We want to be part of development, not a simple rung on which others step up for their development.

But in the capital, disillusionment awaited the rebels. Congress left the implementation of a list of native "rights" to the state legislatures, effectively leaving matters as they were. The Zapatista reply was swift and decisive: "If this reform

deserves any name, it should be ‘the Constitutional Recognition of the Rights and Culture of the Latifundists and Racists.’” Returning to Chiapas, the rebels and their communities faced the same problems of military encirclement and harassment by paramilitary bands in the service of great landowners and reactionary politicians. In a struggle that had now lasted more than a decade, the Zapatistas avoided a suicidal armed project to seize power. But they also refused to limit their demands to conditions in Chiapas, focusing instead on principles of indigenous self-determination and national democratic reform. By adroit use of the most modern means of communication and a series of national and international meetings, they made their struggle known. In the process, they won sympathy throughout the world, achieving a front-line place in the battle against globalization and neoliberalism. Subcomandante Marcos, the telegenic Zapatista leader, soon became almost as well known in Latin America as Che Guevara.

The indigenous peoples of America were on the march, forming broad coalitions with unions, middle-class groups, and international organizations, and they were winning. In 2001 grassroots movements from all over the world came to Cochabamba, the third-largest city in Bolivia. “Cochabamba,” writes Sophia Style, “became a key symbol of the struggle against global capitalism, when thousands of local people took to the streets against the privatization of their water supply by the U.S. transnational Bechtel—and won.” The victory had its costs. After a mobilization of thirty thousand people had shut down the city center for five days, President Hugo Banzer (former dictator of Bolivia) sent in troops, including a sharpshooter trained at the School of the Americas, who gunned down a seventeen-year-old protester.

One milestone in the struggle of the indigenous peoples of America against old and new forms of exploitation was the decision of the United Nations to declare 1993 the International Year of the Indigenous Peoples of the World. Another was the award of the Nobel Peace Prize to the Guatemalan indigenous leader Rigoberta Menchú (October 1992), in recognition of her work on behalf of the native peoples of America. Shortly thereafter, indigenous-rights organizations in Ecuador and Bolivia successfully mobilized their members to challenge neoliberal agendas and drove from power unpopular presidents in Ecuador and Bolivia. But the climax of the broad popular movement for indigenous rights was doubtlessly the 2005 victory of Evo Morales, an Aymara indígena, who became the hemisphere’s first modern, democratically elected indigenous president.

## Cultural Institutions

Over the course of the twentieth century, Latin America’s major cultural institutions, the Catholic Church and the armed forces, underwent considerable change, although neither entirely broke with its colonial and postcolonial past. Buffeted

by the alternating winds of a populist nationalism and a neoliberal universalism, these two venerable institutional representatives of oligarchic order experienced divisions that reflected accurately the ideological crisis of modern Latin America.

### THE CATHOLIC CHURCH

The new reformist and revolutionary currents that emerged within the Catholic Church since about 1960 had different sources. One was a more liberal climate of opinion within the church brought about by the Second Vatican Council, convened in 1962 under Pope John XXIII. Another was concern on the part of some elements of the hierarchy that the church's traditional collusion with the elites risked a loss of the masses to Marxism. Still another was a crisis of conscience on the part of some clergy, especially working clergy whose experiences convinced them that the area's desperate dilemmas required drastic solutions.

The new ferment within the Latin American church found dramatic expression in the life and death of the famous Colombian priest and sociologist Camilo Torres Restrepo. Born into an aristocratic Colombian family, a brilliant scholar and teacher, Torres became convinced that it was futile to seek reform by peaceful means, and he joined the communist-led guerrilla National Liberation Army. He was killed in a clash with counterinsurgency forces in February 1966.

The proper stand for the church to take in the face of Latin America's structural crisis was hotly debated at the second conference of Latin American bishops, held at Medellín, Colombia, in 1968. The presence of Pope Paul VI at its opening session underlined the meeting's importance. Reflecting the progressive shift of some clergy, the bishops at Medellín affirmed the church's commitment to the task of liberating the people of Latin America from neocolonialism and "institutionalized violence." This violence, declared the bishops, was inherent in the economic, social, and political structures of the continent, dependent on what Pope Paul called "the international imperialism of money."

Even before Medellín, a group of Latin American bishops had taken a position in favor of socialism. Their leader was Helder Câmara, archbishop of Recife (Brazil). He and seven other Brazilian bishops had signed a pastoral letter issued by seventeen bishops of the Third World that called on the church to avoid identification of religion "with the oppression of the poor and the workers, with feudalism, capitalism, imperialism." Himself rejecting violence as an instrument of revolutionary change, Câmara expressed sympathy and understanding for those who felt that violence was the only effective tactic.

These developments were accompanied by the emergence and growing acceptance by many clergy of the so-called theology of liberation, the product of the study and reflection of leading church scholars in various Latin American countries. This doctrine taught that the church, returning to its roots, must again

become a Church of the Poor. It must cease to be an ally of the rich and powerful and commit itself to the struggle for social justice. Its primary responsibility was to raise the consciousness of the masses, to make them aware of the exploitative social system under which they suffered, and to unite them to change an oppressive economic and political order. Liberation theology rejected Marxism's atheist worldview, but it drew heavily on a Marxist analysis of the causes of poverty and oppression in the Third World. On the subject of revolution, though deploring all violence, liberation theologians taught that revolution, or counterviolence, was justified as a last resort against the greater violence of tyrants, an orthodox Catholic teaching that went back to St. Thomas Aquinas. In this spirit, Archbishop Oscar Arnulfo Romero of San Salvador, in one of his last sermons before his murder by a right-wing assassin in 1980, declared, "When all peaceful means have been exhausted, the Church considers insurrection moral and justified."

To implement the teachings of liberation theology, progressive clergy set about developing a new type of Christian organization, the *comunidad de base*, or Christian grassroots organization. Composed of poor people in the countryside and the barrios of cities, assisted and advised by priests and students, these communities combined religious study and reflection with efforts to define and solve the practical social problems of their localities. The great landowners and the authorities, frequently branding their activity "subversive," subjected both laity and priests to severe repression. This led to a growing politicization and radicalization of many communities and their involvement in revolutionary movements.

In Nicaragua the Christian communities were integrated into the revolutionary struggle led by the Sandinista Front for National Liberation to a degree not found elsewhere in Latin America. This unity of rank-and-file Catholic clergy and laity with the revolution continued after the Sandinista triumph in July 1979. Five priests held high office in the revolutionary government and defied a 1980 Vatican ruling barring direct priestly involvement in political life. Many priests and nuns enthusiastically supported and participated in the literacy campaign and other reconstruction projects of the new regime.

But conflict between this progressive faction and the traditional church hierarchy soon emerged at the third conference of Latin American bishops, convened at Puebla, Mexico, in 1979. Unlike Medellín, where the progressives had the upper hand, traditionalists controlled the agenda and clearly intended to put down the troublesome liberation theology. They prepared a working paper that urged resignation on the part of the poor in the hope of a better hereafter and placed their trust for the solution of Latin America's great social problems in the failed reformist models of the 1960s. This document raised a storm of criticism among progressive bishops and other clergy.

The unknown element in the equation at Puebla was the position of Pope John Paul II, who inaugurated the conference. Despite their ambiguity, the pope's statements in general tended to reinforce the position of progressives and moderates at the Puebla conference. Its final document continued the line of Medellín, especially in its expression of overwhelming concern for the poor. "We identify as the most devastating and humiliating scourge, the situation of inhuman poverty in which millions of Latin Americans live, with starvation wages, unemployment and underemployment, malnutrition, infant mortality, lack of adequate housing, health problems, and labor unrest."

Later, the pope's opposition to liberation theology and the so-called popular church appeared to harden. He expressed this opposition during his visit to Nicaragua in 1983, a visit that produced an extraordinary confrontation between the pope and the mass of the faithful who came to hear his homily.

Brazil—where many bishops accepted the basic tenets of liberation theology, actively engaged in the struggle for land reform, and enjoyed the support of many thousands of grassroots communities—became another target of the pope's attack on the supposed subversive or heretical teachings of liberation theology. This attack took the form of sanctions against a very popular theologian, Leonardo Boff, and of efforts to weaken the majority of progressive Brazilian bishops by naming more traditional bishops.

The Vatican also joined the Mexican government in efforts to force Bishop Samuel Ruiz of San Cristóbal de las Casas, in Chiapas, to resign. Ruiz, a champion of the poor Maya campesinos of his diocese, was accused of having a Marxist interpretation of the Gospel and "incorrect theological reflection." The effort apparently collapsed when the Salinas administration asked Ruiz to mediate between the government and the indigenous rebels after the outbreak of the Zapatista revolt in 1994.

But in the course of a historic January 1999 visit to Cuba, the pontiff seemed to signal some change of course. Although he called on the Cuban government to grant greater religious, civil, and political liberties, he praised the social achievements of the Cuban Revolution. Moreover, in what appeared to be a thinly veiled reference to the United States, he urged Cubans to reject the neoliberal capitalist policies of Western nations because such policies led to the creation of a small, wealthy upper class and a large, impoverished underclass. Most striking of all, he repeatedly criticized the U.S. embargo against Cuba as unjust.

With the death of John Paul, however, the ascent of Pope Benedict augured poorly for liberation theology, which he had condemned in the 1980s as "a fundamental threat to the faith of the church." Social activists also anticipated opposition from the church hierarchy. In a 2007 address to the faithful in Brazil, the

new pope declared unambiguously that Spain's sixteenth-century "proclamation of Jesus and of His Gospel did not at any point involve an alienation of the pre-Columbus cultures," which had been "silently longing" for Christ "without realizing it." Catholicism was not "the imposition of a foreign culture," the pope insisted. Indigenous people had willingly received the Holy Spirit "who came to make their cultures fruitful, purifying them." Progressive nationalists like Venezuela's Hugo Chávez demanded a papal apology, and politically mobilized indigenous rights activists denounced "the representatives of the Catholic Church of that era [who], with honorable exceptions, were complicit accessories and beneficiaries of one of the more horrible genocides that humanity has seen." The recent rapid growth in membership and influence of Protestant evangelical or fundamentalist sects posed a major challenge to the religious supremacy of the Catholic Church in Latin America. Between 1981 and 1987, the membership of these sects had doubled to 50 million, increasing to 64 million in 2000. In Guatemala they claimed 30 percent of the population; the most recent figures for Chile and Brazil were 15 percent. The dramatic economic and social changes that were taking place throughout the continent had much to do with the phenomenal growth of these new churches. Their revivalist preaching and "pie-in-the-sky" message brought color, excitement, and hope to the lives of the uprooted rural immigrants of the shantytowns that ringed every Latin American city. The churches' support networks often provided these "marginal" people with material assistance as well.

Despite the current pope's hostility toward progressive Catholic social thought, liberation theology still strongly influenced the theory and practice of Latin American Catholic clergy. Their continuing activism was reflected in a statement issued by four bishops of dioceses on the Colombian-Ecuadorian border, meeting in Esmeraldas, Ecuador, June 18–22, 2001. These bishops denounced Plan Colombia, the Free Trade Area of the Americas, and President George W. Bush's Andean Initiative as part of an unjust system that would aggravate instead of solve the area's problems of poverty and violence. Poverty, they declared, was the primary evil and the principal cause of violence in the area. The bishops were responding to a request by priests, religious and lay church workers, and representatives of nongovernmental organizations working on the border that they speak out on the effects of Plan Colombia in their dioceses. "What is happening now in Colombia," declared Bishop Arturo Correa of Ipiales, Colombia, "will happen in Ecuador, Peru, Venezuela, Brazil, and all of poor America."

Interestingly, the bishops' statement directly opposed the official Colombian and Ecuadorian governments' support of Plan Colombia, which included permission for the U.S. government to install a military base at the port of Manta to carry out surveillance of drug cultivation and trafficking in Colombia, Peru, Bolivia, and the Caribbean. But the bishops went farther and rejected "the imposition of

an unjust economic system that fails to respect human dignity and attacks the most elemental human rights." They viewed Plan Colombia, the FTAA, and the Andean Initiative as part of the neoliberal economic model, reflecting the ambition of wealthy countries for a redistribution of areas of influence. Ecuadorian Bishop Gonzalo López of Sucumbios saw a connection between the militarization of the drug war and these free-trade initiatives. "One is a military attempt to control the region, while the others will be used to ensure open markets and access to our countries' resources." The bishops stressed that they favored the eradication of illicit crops but demanded "procedures that respect the ecosystem, biodiversity, and especially human life" and called for a different economic plan "based on sustainability and economic solidarity."

### **THE MILITARY**

Within the Latin American armed forces, as within the church, a differentiation was taking place. The phenomenon of the reformist or even social revolutionary military officer was older than is sometimes supposed. In Brazil the tenente revolts of the 1920s paved the way for the triumph of Getúlio Vargas's reformist revolution of 1930. Juan Perón and other members of the Group of United Officers exemplified a similar tendency within the Argentine officer corps in the 1930s. In Guatemala, in 1944, a group of progressive officers led by Colonel Jacobo Arbenz overthrew the Ubico dictatorship and installed a government that enacted a sweeping land reform and other democratic changes. Although the military regimes in Peru (1968), Panama (1968), and Ecuador (1972) differed considerably in the scope and depth of their reforms, they demonstrated the existence of a reformist or even revolutionary officer class.

The massive influx of North American capital into Latin America after 1945, accompanied by the growing political influence of the United States in the area, altered the balance of forces between conservatives and progressives within the Latin American military. Many high-ranking officers became fervent converts to the North American system of free enterprise and accepted the inevitability of a mortal struggle between "atheistical communism" and the "free world." By the Treaty of Rio de Janeiro (1947), the Latin American republics committed themselves to join the United States in the defense of the Western Hemisphere. In the context of the cold war, this commitment entailed collaboration with the United States in a global anticommunist strategy, to the extent of justifying military intervention in any country threatened or conquered by "communist penetration." Under the cover of this doctrine, in 1965, Brazilian troops joined U.S. forces in intervening in the Dominican Republic to crush the progressive revolutionary nationalist government of Colonel Francisco Caamaño. The integration of Latin

American armies into the strategic plans of the Pentagon converted many into appendages of the North American military machine.

This integration was reflected in the Pentagon's technical and ideological tutelage over the Latin American military and aimed particularly to destroy Latin American revolutionary movements. After the victory of the Cuban Revolution in 1959, this program of training and indoctrination greatly expanded. Thousands of Latin American officers took courses in counterinsurgency warfare at Fort Bragg, Fort Knox, Fort Monmouth, and other installations in the United States and in the Panama Canal Zone. An especially important role continued to be played by the School of the Americas (SOA), run by the U.S. Army for the training of Latin American officers. Founded in 1946 in Panama, it moved to Fort Benning, Georgia, in 1984, when the Panama Canal Zone Treaty forced its relocation from Panama. Since its inception, the SOA provided more than 56,000 Latin American soldiers training in the art of waging a "dirty little war."

Dubbed by *Newsweek* as "a school for dictators," SOA's graduates included terrorists like Chile's General Augusto Pinochet, Panama's Manuel Noriega, and El Salvador's Roberto D'Aubuisson, supposed assassin of Archbishop Oscar Romero. According to the United Nations Truth Commission in El Salvador, SOA graduates directed many of the massacres and atrocities committed by the military in that country. Nineteen of the twenty-seven officers implicated in the Jesuit priest killings in 1989 were SOA alumni, as were eight of the twelve officers charged with responsibility for the El Mozote massacre. A folder labeled "Confidential," discovered in Paraguay's so-called Horror Archives, contained a torture manual used at the SOA. The manual taught "interrogators" how to keep electric shock victims alive and responsive by methods that included dousing their heads and bodies with salt water. In 1997 the number of Mexican military personnel trained at the SOA more than doubled, rising to 305. U.S. Representative Joseph Kennedy, a harsh critic of the school, claimed that SOA graduates planned the massacre of forty-five indigenas at Acteal, Chiapas. More recently, the U.S. military sought to sanitize the SOA by bestowing on it a new name: the Western Hemisphere Institute of Security Cooperation.

The formation of close ties between high-ranking officers and large foreign and domestic firms contributed to the making of a reactionary military mentality. In Argentina in the 1960s, 143 retired officers of the highest ranks held 177 of the leading posts in the country's largest industrial and financial enterprises, mostly foreign-controlled. Latin America thus developed its own military-industrial complex. Through all these means, the United States acquired an enormous influence over the Latin American military.

The CIA's close links with Latin American military and their counterrevolutionary projects were well known. The CIA's 1954 role in the destruction of the

government of Jacobo Arbenz Guzmán, Guatemala's democratically elected reformist president, offers a classic example. Not until May 1997 did the CIA make public the classified records bearing on that intervention. Perhaps the "most chilling document" in the collection, writes Kate Doyle, is an unsigned "Study of Assassination," in which the agency laid out "in excruciating detail" its proposals to murder leading members of the Arbenz government and military. The CIA also compiled hit lists in preparation for the coup. The success of the operation convinced President Eisenhower that such clandestine operations were "a safe, inexpensive substitute for [the use of] armed force." CIA counterinsurgency aid to Guatemala continued until 1995, when it was revealed that an "agency asset," Guatemalan Army Colonel Julio Roberto Alpiréz, had been involved in the murders of U.S. citizen Michael DeVine and Efraín Bámaca Velásquez, a guerrilla leader married to the Harvard-educated lawyer Jennifer Harbury. But the U.S. government still provided counter-drug aid to Guatemala, even though most of the major syndicates uncovered by the Drug Enforcement Agency (DEA) had direct links to Guatemalan military officers.

Revolutionary Cuba was next in line after Guatemala; in 1960, President Eisenhower signed a directive authorizing the CIA to "get rid of Castro." The Bay of Pigs disaster of April 1961 was "a direct descendant" of the Guatemalan operation, based on the assumption that Castro would suffer the same "loss of nerve" that Arbenz had in 1954. When that failed, the agency launched a terrorist campaign of sabotage against Cuba and unsuccessfully attempted to assassinate Castro. In 1998, the *New York Times* published two sensational reports based on interviews with the anti-Castro Cuban exile Luis Posada Carriles, as well as declassified CIA files. In the interviews, Posada claimed credit for a series of terrorist activities, including a wave of bombings of Cuban hotels and restaurants in 1997 that killed one tourist and alarmed the Cuban government. "The CIA," he said, "taught us everything—everything. They taught us explosives, how to kill, bomb, trained us in sabotage." The CIA, for its part, commended Posada in one document as "of good character, very reliable, security-conscious," and in another said his "performance in all assigned tasks has been excellent." Posada also claimed that he had received considerable financial support for his terrorist activities from the late Jorge Mas Canosa, the millionaire founder of the anti-Castro Cuban American National Foundation, a close political ally of successive U.S. presidents, including President Clinton; his claim was backed by evidence in the intelligence files.

In Chile, after the election of socialist Salvador Allende as president in 1970, the CIA desperately tried to prevent his inauguration. According to a recently declassified report on the CIA's Chilean Task Force Activities, the agency "focused on provoking a military coup," the principal obstacle to which was the

“apolitical, constitutional-oriented inertia of the Chilean military.” To overcome this obstacle, President Nixon ordered CIA chief Richard Helms to “make the economy scream” and pursued a two-track policy combining economic destabilization with shipments of arms and money to right-wing army officers. This eventually led to the overthrow and death of Allende and the establishment of a repressive military dictatorship that ruled for two decades and still casts its long shadow over a supposedly “democratic” Chile.

In 2001 the sons of former Chilean Commander-in-Chief René Schneider, killed in 1970 in a failed attempt to kidnap him, filed suit in a U.S. federal court seeking more than \$3 million in damages. The suit named Henry Kissinger, President Nixon’s national security adviser at the time; Richard Helms, former CIA director; and the U.S. government, who together were responsible for “summary execution,” assault, and civil rights violations. Citing recently declassified CIA documents, the suit charged that U.S. authorities conspired to remove Schneider because he stood in the way of their planned military coup to prevent Salvador Allende from taking office as Chile’s elected president. Judges in Chile and Argentina unsuccessfully sought to secure Kissinger’s testimony regarding his knowledge of Operation Condor, a vast operation organized between 1970 and 1980 by the dictatorships of Latin America’s Southern Cone to aid each other in the elimination of their political opponents, without regard for national borders.

In 1981, in Honduras, which had been turned into a base for a secret war against Sandinist Nicaragua, the CIA, with the cooperation of the Honduran army, created a new army intelligence unit called Battalion 316 to counter subversion. Recently declassified documents reveal that the CIA trained the unit in surveillance, interrogation, and torture. The Battalion learned well, torturing hundreds of Honduran citizens and “disappearing” many others.

The militarization of U.S. foreign policy clearly had a decisive impact on the military in Latin America. Over the course of the late twentieth century, it increasingly abandoned its nationalist character and embraced its new role as a neoliberal guardian of private property and foreign investment. It remained unclear if, in the face of a growing popular democratic movement against neoliberalism, the Latin American military would remain in its barracks or reprise its earlier role.

# Forging a New Nation: The Mexican Revolution and the Populist Challenge

## FOCUS QUESTIONS

- What were the major factions in the Mexican Revolution? What were their programs, and how did their rivalry shape Mexico's new nationalist state?
- What were the policies of the Reconstruction era (1920–1933), and how did they affect development?
- What was Cárdenas's reform program (1934–1940), and how did it affect workers and peasants?
- What role did women play in the Revolution, and how did it affect their struggle for equality?
- What were the major trends in Mexico after 1940, and how did they affect development?

**T**HE MEXICAN REVOLUTION was the first popular, social revolution in twentieth-century Latin America. Although historians still debate its precise meaning, most agree that it transformed a mechanical peace imposed by the iron fist of Porfirio Díaz's liberal dictatorship into a cohesive social order based on genuine popular support. Díaz had created a unified nation-state with clearly defined borders and uniform laws that regulated land, labor, and commodities, but considerable popular resistance remained. As long as domestic peace depended on the fear of armed force, a lasting social stability rooted in national **hegemony**—that is, a widespread popular identification with, and voluntary deference to, the authority of a powerful national state—was impossible. But such hegemony required a new nationalist ideology and a nation-state that would protect all sectors of society rather than merely secure the interests of a tiny, wealthy, privileged, and light-

skinned elite. As always, however, this new nationalism was a product of conflict and negotiation among groups and social classes with distinctly different interests. This was the primary achievement of the Mexican Revolution, and it soon became a model for other Latin American nations that were undergoing similar changes in the late nineteenth and early twentieth centuries.

On the eve of the presidential election of 1910, signs of unrest multiplied in Mexico. Peasant risings and workers' strikes became more frequent, and the Mexican Liberal Party (PLM), founded and led by the exiled revolutionary journalist Ricardo Flores Magón, intensified its conspiratorial activities. Drawn by the PLM's programmatic commitment to "equality between the sexes" and repelled by miserably low wages, abusive working conditions, and legal discrimination, women like Juana Gutiérrez de Mendoza and Dolores Jiménez became influential activists, organizers, and propagandists

in this growing opposition to Porfirio Díaz's dictatorial regime. Divisions soon appeared within the oligarchy. Bernardo Reyes, a foe of the Científicos and the powerful governor of Nuevo León, whose rule combined iron-fisted repression with reformist rhetoric, announced his candidacy for the post of vice president. Reyes saw this office as a stepping-stone to the presidency when Díaz, who was eighty years old in 1910, died or retired.

In an unusual atmosphere of political ferment and debate, there appeared a tract for the times: *The Great National Problems* (1909) by the lawyer Andrés Molina Enríquez. Financed by Reyes, the book combined the customary eulogies of Díaz with incisive criticism of his political system and especially of his agrarian policy. Its denunciation of the latifundio and appeal for land reform anticipated the radical slogans of the coming revolution.

Díaz had contributed to this ferment by announcing in 1908 that Mexico was now ready for democracy and that he would welcome the emergence of an opposition party. Francisco Madero, a Coahuila hacendado whose extensive family interests included cattle ranches, wheat farms, vineyards, textile factories, and mines, took Díaz at his word. A member of the elite, Madero was no revolutionary, but he feared that continuance of the existing political order would inevitably breed social revolution. Madero made clear, however, that by "democracy," he meant control by an elite. "The ignorant public," he wrote, "should take no direct part in determining who should be the candidate for public office."

Madero criticized Díaz's social policies—his genocidal Indian wars and violent repression of strikes—as counterproductive; in place of those brutal tactics, he proposed a policy of modest concessions to peasants and workers that would reduce mounting tensions and check the growth of radical ideas. Madero regarded democracy as an instrument of social control that would promote the acceptance of capitalism through the grant of limited political and social reforms, with a large stress on education.

In December 1909, Madero began to tour the country, making speeches in which he explained his reform program. In April 1910 an opposition

antireelectionist party was formed and announced Madero as its candidate for president. Díaz at first refused to take Madero seriously but soon became alarmed by his growing popularity. In early June, he had Madero arrested and charged with preparing an armed insurrection; arrests of many of his supporters followed. On June 21 the election was held, and it was announced that Díaz and his hand-picked vice-presidential candidate, Ramón Corral, had been elected by an almost unanimous vote.

After the election, Díaz no longer considered Madero dangerous and allowed him to be released on bail. Convinced that the dictator could not be removed by peaceful means, Madero also feared the demands of radical women, peasants, and workers; in September 1910, for example, Dolores Jiménez, a working-class leader of the feminist Daughters of Cuauhtémoc, advocated women's empowerment in their "economic, physical, intellectual, and moral struggles." Caught between the Scylla of reaction and the Charybdis of lower-class revolution, Madero opted for armed struggle.

On October 7 he fled across the border to Texas and from there announced the Plan of San Luis Potosí. Declaring the recent elections null and void, Madero assumed the title of provisional president of Mexico but promised to hold free elections as soon as conditions permitted. The plan made a vague reference to the return of usurped peasant lands, but most of its articles dealt with political reforms. That Madero was allowed to organize the revolution on U.S. soil with little interference by the authorities suggests the U.S. government's displeasure with Díaz. Fearing that North American domination of investments in Mexico threatened Mexican economic and political independence, the dictator had recently favored British over North American capitalists in the granting of concessions and had given other indications of an anti-U.S. attitude. The administration of President Taft evidently hoped that Madero would display a more positive attitude toward U.S. interests.

## The Great Revolution, 1910–1920

The revolution got off to a shaky start when Madero, having crossed back into Mexico, found

only twenty-five supporters waiting for him and hurriedly returned to Texas. But it soon gathered momentum as two major movements of peasant revolt responded to his call. In the huge northern border state of Chihuahua, where peons and small farmers suffered under the iron rule of the Terrazas-Creel clan, masters of a vast landed empire, the rising began under the leadership of Pascual Orozco, a mule driver, and Pancho Villa, a bandit with a reputation for taking from the rich to give to the poor. By the end of 1910, guerrilla armies had seized control of most of the state from federal troops.

Another seat of rebellion was the mountainous southern state of Morelos, where indigenous communities had long waged a losing struggle against encroaching sugar haciendas. Here the mestizo insurgent leader Emiliano Zapata, attracted by the promise of land reform in the Plan of San Luis Potosí, proclaimed his loyalty to Madero.

Meanwhile, in March 1911, former PLM leaders Camilo Arriaga and Dolores Jiménez, now *maderistas*, organized Mexico City's Complot de Tacubaya, an urban revolt against Díaz that advocated a revolutionary social agenda that included protection of indigenous rights, agrarian reform, an eight-hour workday, equal pay for equal work, and equal access to education. In the political context of a countryside in arms, the Tacubaya uprising, though prematurely betrayed and suppressed, nonetheless successfully undermined Díaz's confidence in his ability to rule and led directly to a decision to seek compromise with Madero a month later.

In May 1911, moreover, the Zapatistas won two decisive victories. Rather than face an invasion of the poorly defended capital by Zapata's dreaded agrarian rebels, Díaz and his advisers decided to reach an agreement with Madero. Disregarding urgent warnings by the left wing of the revolutionary movement against compromises with the Díaz regime, Madero signed the Treaty of Ciudad Juárez on May 21, which provided for the removal of Díaz but left intact all existing institutions. It was completely silent on the subject of social change. On May 25 the aged dictator resigned the presidency, and a few days later, he left for Europe. Francisco León de la Barra, the Mexican ambassador to the United States, assumed the interim presidency.

On June 7, 1911, Madero entered Mexico City in triumph, but the rejoicing of the crowds who thronged into the streets to greet the "apostle of democracy" was premature. The provisional president was closely tied to the old regime and had no sympathy with the revolution. The *Porfirista* aristocracy and its allies had not given up hope of regaining power; they regarded the compromise that made León de la Barra provisional president a tactical retreat, a means of gaining time to allow the revolutionary wave to subside so they could prepare a counterblow. Under the interim president, the huge Díaz bureaucracy remained largely intact. The reactionary officer corps remained in command of the federal army and burned for revenge over the revolutionary peasant armies that had defeated it.

Social conditions throughout the country remained largely unchanged, and the provisional government sought a total restoration of the status quo. Efforts were made to disband the revolutionary troops, and León de la Barra sent federal forces into Morelos to initiate hostilities against the Zapatistas, who had begun to confiscate large estates and distribute land to the villages. Madero's ineffective efforts to halt the fighting and mediate between Zapata and León de la Barra only deepened the reactionaries' hatred for the visionary meddler who had unleashed anarchy in Mexico. But the revolutionary wave was still running strong, and reaction had to bide its time. In October 1911, Madero and his running mate, José María Pino Suárez, were elected president and vice president by overwhelming majorities. Despite numerous public protests and petitions, led by leaders like Juana Gutiérrez de Mendoza and her *Amigas del Pueblo* (AP), feminists failed to secure voting rights, but their political agitation in support of the "apostle of democracy" was undiminished.

#### **MADERO'S PRESIDENCY: INADEQUACY AND REVOLT**

It soon became evident that the "apostle" had no fundamental solutions for Mexico's grave social and economic problems. Even on the political plane, Madero's beliefs were far from advanced. His conception of democracy was a formal democracy



The *soldaderas*, women who joined their lovers or husbands and often fought at their side, made their own contribution to the victory of the Mexican Revolution. [Library of Congress]

that would give the masses the illusion of power and participation in political life but would vest all decision making in the hands of an elite.

In regard to economic and social democracy, his vision was even more limited. Madero allowed workers to organize trade unions and to strike and permitted a national workers' center, the *Casa del Obrero Mundial*, to be formed in Mexico City. But his answer to the agrarian problem was a totally inadequate program of purchase of land from large landowners and recovery of national land for distribution among landless peasants. In fact, Madero, who believed that only large landholdings would permit Mexican agriculture to modernize, was totally opposed to land reform at the expense of the haciendas. Madero's retreat on the land issue led to a break with his most faithful ally, Emiliano Zapata. Zapata urged Madero to carry

out the agrarian provisions of the Plan of San Luis Potosí. Madero refused, arguing that the treaties that set up the interim government of León de la Barra obliged him to accept the legality of the legal and administrative decisions of the Díaz regime. Madero also demanded the total surrender and disarmament of Zapata's peasant troops.

Convinced that Madero did not intend to carry out his pledges to restore land to the villages, Zapata announced his own program on November 28, 1911. The Plan of Ayala proclaimed that "the lands, woods, and waters usurped by the hacendados, Científicos, or caciques through tyranny and venal justice" would be returned to their owners, and Zapata began to put the plan into effect. The Zapatista movement soon spread to other states in central and southern Mexico. Historian John Womack paints a vivid portrait of these peasant armies,

one of which, composed of “the widows, wives, daughters, and sisters of rebels,” was commanded by a woman warrior known as “La China.” Clad “in rags, some in plundered finery, wearing silk stockings and dresses, sandals, straw hats, and gun belts,” these women so terrorized federales and hacendados in the region that even veteran Zapatista commanders “treated La China with respect.” Madero sent a series of generals against Zapata and his allies but failed to crush the revolt.

Madero’s failure to carry out a genuine agrarian reform lost him the trust and support of the revolutionary peasantry without mollifying the reactionaries, who resented his modest concessions to labor and his efforts to transform Mexico into a bourgeois democracy with freedom of speech and press and the rule of law. They also feared that under pressure from the peasantry and under the influence of urban middle-class reformers like Luis Cabrera, a strong advocate of land reform, Madero might move farther to the left.

The aristocracy, its possessions and influence almost intact, dreamed of restoring the lost paradise of Don Porfirio, when peasants, workers, and natives knew their place. Almost from the day that Madero took office in November 1911, therefore, counterrevolutionary revolts sprouted in various parts of Mexico. Most serious was a revolt in the north led by Pascual Orozco, who was encouraged and bribed by conservative elements in Chihuahua, especially the Terrazas-Creel clan. Federal troops under General Victoriano Huerta crushed the Orozco revolt in a series of battles, but Huerta’s victory, joined with the alienation of Zapata and other of Madero’s old revolutionary allies, increased Madero’s dependence on an officer corps whose loyalty to his cause was highly dubious.

Abortive revolts followed one after another throughout the rest of 1912. The danger to Madero increased as it became clear that he had lost the support of the United States. Although Madero had made it clear that he favored foreign investments and guaranteed their security, he refused to show special favors to U.S. capitalists and warned foreign investors that the crony system that had operated under Díaz was dead. This independent spirit, plus

Madero’s legalization of trade unions and strikes and his inability to cope with the peasant revolution and establish stability, alienated the United States, whose foreign policy, originally favorable to Madero, turned against him.

U.S. Ambassador Henry Lane Wilson became increasingly hostile to Madero. In February 1912 a hundred thousand U.S. troops were stationed along the border, and throughout the year Wilson made vehement threats of intervention if the Madero government failed to protect U.S. lives and property.

Meanwhile, preparations for a coup d’état were under way in the capital. The blow fell on February 9, 1913, when the military garrison at Tacubaya “pronounced” against Madero and marched on the National Palace. Meanwhile, the U.S. ambassador, in complete sympathy with the counterrevolutionary revolt, sent Madero a sharp protest against the conduct of military operations in Mexico City because they threatened U.S. life and property. At his urging, the British, German, and Spanish representatives sent similar demands. As the crisis moved toward a climax, Wilson became feverishly active. On February 14 he demanded that the Mexican government begin negotiations with the other warring parties; otherwise, U.S. Marines would be landed in Mexican ports. The same day, Wilson invited other foreign diplomats to a conference at which it was agreed to force Madero to resign. A message to that effect was sent to Madero from the diplomatic corps, but Madero firmly rejected the demand. He would rather die, he said, than allow foreign intervention.

### HUERTA’S DICTATORSHIP

Ambassador Wilson, clearly coordinating his activities with the conspirators, encouraged Huerta to arrest the president and other members of his government. A dispute over who should head the new regime also was settled through Wilson’s mediation. At a meeting at the U.S. embassy, agreement was reached that Huerta should head a provisional government. To give some semblance of legality to his usurpation, Huerta obtained the “voluntary” resignations of Madero and Pino Suárez in return

Modern Mexico



for the promise that they would then be free to leave Mexico. An intimidated Congress accepted the resignations and recognized Huerta as provisional president, almost without dissent. There remained the question of what should be done with Madero. Asked by Huerta for his advice, the U.S. ambassador replied that he should do “what was best for the country.” Despite urgent requests by other members of the diplomatic corps and Madero’s wife that he intercede to save Madero’s life, Wilson refused. On the evening of February 22, Madero and Pino Suárez were murdered during their transfer from the National Palace to the penitentiary.

Huerta’s seizure of power, which was greeted with rejoicing by the landed aristocracy, the big capitalists, and the church, was an effort to set the Mexican clock back, to restore the Díaz system of personal dictatorship. Hoping to broaden the social base of his dictatorship and conceal its reactionary character as long as possible, Huerta for a time continued Madero’s labor policies, but as the terrorist nature of the regime became more apparent and labor more and more allied itself with the anti-Huerta movement, he proceeded to arrest its leaders and eventually closed down the Casa del Obrero Mundial.

#### **THE OPPOSITION: ZAPATA, VILLA, CARRANZA, AND OBREGÓN**

Huerta had counted on a quick victory over the peasant revolutionaries of the south and favorable reception of his coup d’état by conservative economic and political interests in the north. However, the revolutionary wave, still running strong, rose even higher in reaction to Madero’s brutal murder and the imposition of Huerta’s terrorist regime. Zapata intensified his struggle against local great landowners, Huerta’s allies, and federal troops. In the northern border states of Sonora, Chihuahua, and Coahuila, meanwhile, an anti-Huerta coalition of disparate social groups—liberal hacendados, middle classes, miners, industrial workers, vaqueros, and peasants—began to take form. By forcing Huerta to commit a considerable part of his troops to the campaign in the south, Zapata assured the success of the revolutionary movement that sprang up anew in the north.

Pancho Villa assumed leadership of the Constitutionalists, as Huerta’s northern opponents called themselves. Enjoying an immense popularity among the state’s **vaqueros**, he soon controlled almost all Chihuahua, including Ciudad Juárez and Chihuahua City, and imposed a revolutionary new order on the state. He employed his soldiers as a civil militia and administrative staff to restore normal life. Villa ordered a reduction of meat prices and distributed money, clothing, and other goods to the poor. Education was a passion with the almost illiterate Villa. According to the U.S. correspondent John Reed, who accompanied him, Villa established some fifty new schools in Chihuahua City.

Clearly, Villa’s social policies were more radical than those implemented by the Constitutionalists in the neighboring states of Sonora and Coahuila. In December 1913 he announced the expropriation without compensation of the holdings of the pro-Huerta oligarchy in Chihuahua. His agrarian program, however, differed in significant ways from that of Zapata. Whereas in the area ruled by Zapata, confiscated estates were promptly distributed among the peasants, Villa’s decree provided that they should remain under state control until the victory of the revolution. The revenues from these estates would be used to finance the revolutionary struggle and support the widows and orphans of the revolutionary soldiers. Once victory had been achieved, the funds were to be used to pay pensions to these widows and orphans, compensate veterans of the revolution, restore village lands that had been usurped by the hacendados, and pay taxes left unpaid by the hacendados.

Meanwhile, Villa gave his lieutenants control of some confiscated haciendas, and the rest were administered by the state. Cattle were sold in the United States to secure arms and ammunition for Villa’s army, and meat was distributed on a large scale to the urban unemployed, to public institutions like orphanages and children’s homes, and for sale in the markets. The differences between the agrarian programs of Villa and Zapata may be explained in part by the fact that the economy of the north was based not on agriculture but on cattle raising, which required large economic units. These units had to be administered by the state or

on a cooperative basis. In addition, the percentage of peasants in the population was much smaller in the north and the problem of land hunger much less acute.

In the neighboring state of Coahuila, meanwhile, the elderly Venustiano Carranza, a great landowner who had once served Díaz but in 1911 joined Madero, who appointed him governor of the state, raised the standard of revolt against Huerta. On March 26, 1913, he announced his Plan of Guadalupe, which called for the overthrow of the dictator and the restoration of constitutional government but did not mention social reforms. Carranza assumed the title of first chief of the Constitutionalist Army.

Meanwhile, within Mexico City, Huerta also faced clandestine opposition, led by prominent intellectuals like José Vasconcelos and Martín Luís Guzmán. Just as troublesome, however, was the public resistance of the feminist Loyalty Club, headed by María Árias Bernal, which protested the regime's brutality and organized a public demonstration at the site of Madero's tomb.

#### INTERVENTION BY THE UNITED STATES

By the beginning of 1914, the Constitutionalist revolt had assumed significant proportions, and Huerta's fall appeared inevitable. Meanwhile, in March 1913, Woodrow Wilson had succeeded Taft as president of the United States. Alone among the great powers, Wilson's government refused to recognize the Huerta regime, although it continued to embargo revolutionary arms purchases while permitting U.S. arms sales to Huerta to consolidate his rule. Wilson justified his nonrecognition policy with moralistic rhetoric, refusing to recognize a government that had come to power illegally. More important, he was convinced that Huerta could not provide the stable political climate U.S. interests required in Mexico. Noting Huerta's strong support among European governments, Wilson also suspected that Huerta had cut a deal to grant British and German investors privileged access to Mexican markets at the expense of U.S. business. In the first six months of his regime, Huerta clearly favored

British interests, thereby solidifying his support in London and further alienating Washington.

Wilson's concern with a suitable political climate for U.S. investments emerged from a note sent to British officials in November 1913, in which he assured those officials that his U.S. government "intends not merely to force Huerta from power, but also to exert every influence it can exert to secure Mexico a better government under which all contracts and business concessions will be safer than they have been."

Shortly thereafter, growing tensions between England and Germany, ultimately leading to World War I, dramatically affected the Huerta regime's security and international backing. Both nations now openly courted the United States and began to distance themselves from Huerta. By yielding to a British request for uniform rates on all goods shipped through the nearly completed Panama Canal, Wilson obtained an end of British support for Huerta in early 1914. As a result, Huerta's financial position became increasingly difficult. Seeking to avert a catastrophe, he suspended payment on the interest on the national debt for six months, but that extraordinary measure only increased Huerta's difficulties. Foreign creditors began to demand the seizure of Mexican custom-houses, and some even clamored for immediate intervention. By February 1914, Wilson decided force must be used. After receiving assurances from Carranza's agent in Washington that the Constitutionlists would respect foreign property rights, including "just and equitable concessions," Wilson lifted the existing embargo on arms shipments to the Carranza forces.

Wilson found a pretext for intervention when a party of U.S. sailors from the cruiser *Dolphin* landed in a restricted area of Tampico and were arrested. They were almost immediately released with an apology, but the commander of the *Dolphin*, under orders from Washington, demanded a formal disavowal of the action, severe punishment for the responsible Mexican officer, and a twenty-one-gun salute to the U.S. flag. For Huerta to grant these demands might have meant political suicide, and he refused.

President Wilson now sent a fleet into the Gulf of Mexico, and on April 21, 1914, learning that a

German merchant ship was bound for Veracruz with munitions, he ordered the seizure of the city. When Mexican batteries at the fortress of San Juan de Ulua attempted to prevent a landing, they were silenced by answering fire from the U.S. ships. Huerta's forces evacuated Veracruz the same day, but the local population and cadets of the naval academy continued a courageous resistance until April 27, when U.S. troops occupied Veracruz, setting off a wave of anti-Yankee sentiment in Mexico and a number of Latin American countries. Meanwhile Carranza, whom Wilson had hoped to control, bitterly denounced the U.S. action and demanded the immediate evacuation of Veracruz.

Shortly thereafter, the Huerta regime's collapse seemed imminent. Recognizing that his situation had become hopeless, Huerta took flight for Europe on July 15. Huerta's fall deprived the United States of any pretext for continuing its armed intervention, but Wilson delayed the evacuation of Veracruz as long as possible in the hope of securing commitments from Carranza that would have effectively prevented any basic changes in Mexico's social and economic structure. Despite hints that "fatal consequences" might follow, Carranza resolutely rejected these demands and continued to insist on the end of the military intervention. U.S. troops finally evacuated Veracruz on November 23, 1914.

### FIGHTING AMONG THE VICTORS

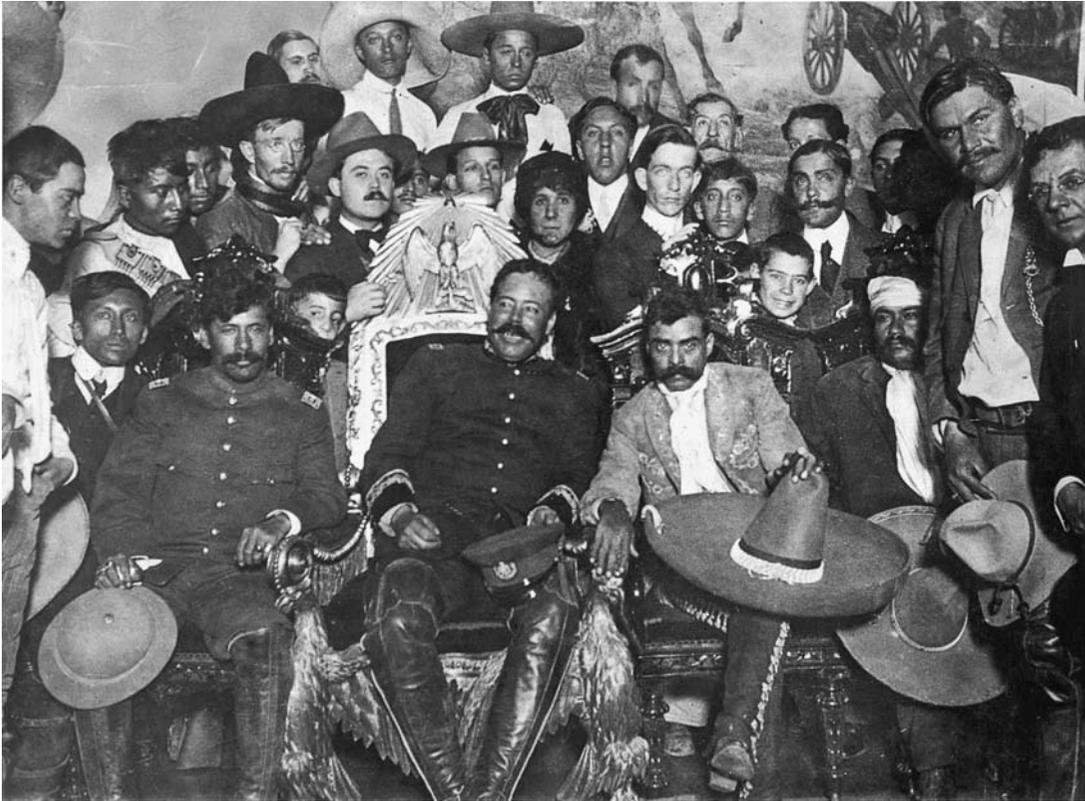
As the day of complete victory drew near, differences emerged within the Constitutionalist camp, especially between Carranza and Villa. There were personal factors, such as Carranza's jealousy of Villa as a potential rival, but more important was Carranza's failure to define his position on such fundamental issues as the agrarian question, the role of the church, and the new political order. Villa, however, sought a revolutionary agreement that clearly defined "the present conflict as a struggle of the poor against the abuses of the powerful." He also wanted the Constitutionalist leaders to agree "to implant a democratic regime . . . to secure the well being of the workers, to emancipate the peasants economically, making an equitable

distribution of lands or whatever else is needed to solve the agrarian problem."

Under pressure from his generals, who recognized the potential dangers of an open break with Villa, Carranza permitted his representatives to sign the agreement containing this radical idea, which he personally found unacceptable. Villa, however, continued to distrust Carranza, and this distrust was confirmed by Carranza's actions, notably his unilateral occupation of the capital. Relations also deteriorated between Carranza and Zapata, who had waged war against Huerta independently and refused to recognize Carranza's leadership; a Zapata manifesto proclaimed that the Plan of Ayala must prevail and all adherents of the old regime must be removed.

In October 1914 a convention of revolutionary leaders and their delegates met at Aguascalientes to settle the conflict between Carranza and Villa. At the insistence of the *Villistas*, Zapata was invited to attend, and presently a delegation from "the Liberating Army of the South" arrived. The convention endorsed the Plan of Ayala, assumed supreme authority, called for the resignation of Carranza as first chief, and appointed General Eulalio Gutiérrez provisional president of the nation. Gutiérrez was a compromise candidate pushed by delegates equally opposed to Carranza and Villa. Because Aguascalientes swarmed with Villa's troops, Gutiérrez had no choice but to name Villa commander in chief of the Conventionist Army, as the Northern Division now came to be called.

But Carranza refused to accept the decisions of the Aguascalientes convention, claiming it had no authority to depose him. When he failed to meet the deadline for his resignation—November 10—the armies of Zapata and Villa advanced on the capital and occupied it. Carranza retreated with his depleted forces to Veracruz, which the Americans had evacuated shortly before. According to historian John Hart, although the United States remained suspicious of Carranza's nationalism, its decision to withdraw from Veracruz in favor of the Constitutionalist reflected U.S. fears of the revolutionary convention's radical threat to U.S. economic interests, especially investments in Mexican



In early December 1914, Pancho Villa (*on throne*) met with Emiliano Zapata (*center right, with sombrero*) in Mexico City, where both attended the installation of a new president. Earlier, Villa and Zapata had reached an agreement on a course of action for the revolution, but the arrangement soon fell apart. [The Granger Collection, New York]

oil production. Veracruz became a safehouse for *Carrancista* forces led by Álvaro Obregón, a popular young *ranchero* commander who had remained loyal to Carranza and rebuilt his army with the aid of arms and munitions stockpiled during the U.S. occupation.

Although the peasant revolutionaries controlled the capital and much of the country, they could not consolidate their successes. Unskilled in politics, they entrusted state power to the unreliable provisional president, Gutiérrez, a former general in Carranza's army, who sabotaged the Conventionist war effort and opened secret negotiations with Obregón. Meanwhile, conservatives at the convention strongly opposed land reform, expropriation of foreign properties, and other radi-

cal social changes. Villa's sympathies on land reform were with the radicals, but he avoided taking sides in the dispute, probably because he believed that unity was necessary to gain both a rapid military victory and recognition by the United States, which he also regarded as essential to his final triumph. For these reasons, the convention proved unable to forge a clear national program of socioeconomic reforms that could unite the interests of the peasantry, industrial workers, and the middle class. His later attempts to broaden his program to attract labor, the middle class, and even national capitalists were too little and too late.

The Constitutionalist did not make the same mistake. At the insistence of Obregón and intellectuals like Luís Cabrera, who were aware of the

need for broadening the social base of the Constitutionalist movement, Carranza adopted a program of social reforms that was designed to win the support of peasants and workers. In December 1914, during the darkest days of the Constitutionalist cause, Carranza issued his “Adiciones” to the Plan of Guadalupe, promising agrarian reform and improved conditions for industrial workers. Other decrees followed: on January 6, 1915, he restored lands usurped from the villages and expropriated additional needed land from haciendas. (Simultaneously, Carranza secretly promised the hacendados that he would return the haciendas that had been confiscated by revolutionary authorities—promises that in the end he would keep.) Carranza’s agrarian decrees gained him a certain base among the peasantry. Carranza courted labor support by the promise of a minimum-wage law applying to all branches of industry and by affirming the right of workers to form trade unions and to strike. He also appealed for women’s support, and thousands flocked to his ranks from diverse social classes. According to historian Shirlene Soto, working-class radicals like Artemisa S enz Royo, a labor organizer who later served in the “red battalions,” joined with middle-class feminists such as Hermila Galindo de Topete, Carranza’s private secretary, to demand “women’s complete equality, including sexual equality.”

After Obreg on’s troops reoccupied Mexico City in January 1915, an alliance formed between the Carranza government and the Casa del Obrero Mundial, which reorganized after Huerta’s fall. Members of the Casa agreed to join “the struggle against reaction,” meaning above all the revolutionary peasantry. Six “red battalions” of workers formed and made an important contribution to the offensive launched by Obreg on against Villa and Zapata in January 1915. Inadequate understanding on the part of the peasant and working-class leaders of their common interests and the skillful opportunism of the middle-class politicians in Carranza’s camp contributed to this disastrous division between labor and the peasantry.

With growing support from a diverse, cross-class political constituency, and emboldened by financial and arms transfusions from the United

States, the Constitutionlists benefited from a dramatic shift in the balance of forces in Mexico. Carranza’s troops forced Villa to evacuate Mexico City on January 19, and a few months later, Obreg on decisively defeated Villa’s forces in the battle of Celaya. Shortly thereafter, Carranza loyalists inflicted heavy losses on the Zapatistas.

In October 1915, after unsuccessful efforts to play off the revolutionary chiefs against each other or to achieve a coalition under U.S. leadership, President Wilson acknowledged Carranza’s ascendancy and extended *de facto* recognition of his regime; equally important, he placed an arms embargo on Carranza’s opponents. But the United States had not abandoned its efforts to influence the course of the Mexican Revolution. A memorandum to Carranza dictated the conditions he must meet before he could obtain *de jure* recognition. They amounted to a claim to determine Mexican policy not only in the area of foreign economic rights but in such internal matters as the role of the church, elections, and the like. These demands were as unacceptable to Carranza in October 1915 as they had been a year before.

In early 1916 relations between the United States and Mexico deteriorated sharply. In part, this resulted from initial efforts by Mexican federal and state authorities to regulate the operations of foreign oil companies. A crisis arose in March when Villa, angered by the arms embargo and wrongly convinced that Carranza had bought U.S. recognition by agreeing to a plan to convert Mexico into a U.S. protectorate, raided Columbus, New Mexico, in an apparent effort to force Carranza to show his hand. The Wilson administration responded by ordering General John Pershing to pursue Villa into Mexico. The United States counted on the enmity between Villa and Carranza to secure the latter’s neutrality. But Carranza denounced the invasion, demanded the immediate withdrawal of U.S. forces, and began to prepare for war. In a note to other Latin American nations, the Mexican government declared its belief that the basic reason for U.S. intervention was its opposition to the Mexican policy of eliminating privileged treatment of foreign capital and affirmed that the “foreign invasion” must be repelled and Mexican sovereignty respected.

The United States had anticipated an easy victory, but Pershing's hot pursuit of the elusive Villa proved a fiasco, and Wilson accepted Carranza's offer to negotiate a settlement. Wilson was unsuccessful in his efforts to link the evacuation of U.S. forces with acceptance of the U.S. formula for Mexican domestic policy. In January 1917, influenced by the troubled international scene and his conviction that a war with Mexico would involve at least half a million men, Wilson decided to liquidate the Mexican venture. Mexican nationalism had won a major victory over yet another effort by the United States to impose its hegemony.

### THE CONSTITUTION OF 1917

In the fall of 1916, Carranza issued a call for the election of deputies to a convention that was to frame a new constitution and prepare the way for his election as president. The convention opened in Querétaro on December 1, 1916. Because the call effectively excluded women and those who had not sworn loyalty to his 1913 Plan of Guadalupe, it seemed likely that the constitution would be what Carranza wanted. The draft did not contemplate a radical agrarian reform; for labor, it limited itself to proclaiming the "right to work" and the right of workers to form organizations for "lawful purposes" and to hold "peaceful" assemblies.

These abstract proposals were unsatisfactory to a majority of the deputies, who formed the radical wing of the convention. The principal spokesman for this left wing was Francisco J. Múgica, a young general who helped make the first land distribution of the revolution. The radicals obtained majority approval to create a commission to revise Carranza's project. Múgica himself was largely responsible for Article 3, which struck a heavy blow at church control of education by specifically forbidding "religious corporations" and "ministers of any cult" to establish or conduct schools.

Hermila Galindo and other women revolutionaries were very interested in Articles 34 and 35, which dealt with citizenship and voting rights. Addressing the convention, Galindo appealed to the delegates' "sense of justice as popular repre-

sentatives" and argued that women should have an equal right to vote and hold office precisely because working women paid taxes, obeyed the same laws as men, and participated fully in the revolutionary struggle for social justice. But others, especially the more radical delegates like Luís Monzón and Inés Malvárez, early supporters of the PLM and principled proponents of gender equality, opposed women's suffrage for practical political reasons: they feared that the vast majority of women, sheltered from the harsh realities of the working world (less than 20 percent worked for wages in 1917) and seduced by a conservative Catholic Church, would use the franchise to restrain the revolution's radical anticapitalist, anticlerical tendencies. Fear triumphed over principle, and women were denied citizenship and political rights.

But wage-earning women did win important protections in Article 123, which dealt with the rights of labor. Carranza had asked only that the federal government be empowered to enact labor legislation. The convention went much further. The finished article, a true labor code, provided for the eight-hour day; secured childbirth benefits for women, including paid prenatal and postnatal maternity leaves; required companies that had more than fifty women employees to provide on-site child-care; abolished the *tienda de raya*, or company store, and debt servitude; guaranteed the right of workers to organize, bargain collectively, and strike; and granted many other rights and privileges, making it the most advanced labor code in the contemporary world.

Article 27, which dealt with property rights, had an equally advanced character. It proclaimed the nation the original owner of all lands, waters, and the subsoil; the state could expropriate them, but only with compensation to the owners. National ownership of water and the subsoil was inalienable, but individuals and companies could obtain concessions for their exploitation. Foreigners to whom that privilege was granted must agree that they would not invoke the protection of their governments in regard to such concessions. Of prime importance were the same article's agrarian provisions. It declared that all measures passed

since 1856 that alienated ejidos (communal lands) were null and void; if the pueblos needed more land, they could acquire it by expropriation from neighboring haciendas.

These and other provisions of the constitution of 1917 made it the most progressive law code of its time. It laid legal foundations for a massive assault on the latifundio, for weakening the power of the church, and for regulating the operations of foreign capital in Mexico. But the constitution was not anti-capitalist. It sanctioned and protected private property, and it sought to control rather than eliminate foreign enterprises, creating more favorable conditions for the development of national capitalism.

### CARRANZA'S PRESIDENCY

As president, Carranza soon made it clear that he did not intend to implement the reform articles of the constitution. Only a trifling amount of land was distributed to the villages. Carranza returned many confiscated haciendas to their former owners, and others he turned over to his favorite generals. Official corruption existed on a massive scale. The working class suffered severe repression. Carranza shut down the Casa del Obrero Mundial. The constitution's promise of free education was ignored. Only in Carranza's foreign policy, marked by a genuine revolutionary nationalism, did the spirit of the constitution live. Carranza staunchly resisted U.S. pressure to give guarantees that Article 27 of the constitution would not be implemented against foreign interests. He kept Mexico neutral in World War I and insisted on an independent Mexican diplomatic position in the hemisphere, postures that the United States regarded as unfriendly.

Carranza also appealed to upper- and middle-class women with decrees that legalized civil divorce, established alimony rights, and authorized women to own and manage property. On April 9, 1917, he signed the Law of Family Relations, which guaranteed women equal rights to exercise guardianship and child custody, file lawsuits, and sign contracts. But cultural taboos against divorce and other legal inequities institutionalized what historian Shirlene Soto calls a "sexual double standard" in Mexico.

Meanwhile, Carranza continued to battle the tenacious Zapatista movement in the south and Villa in the north. Against the Zapatistas, Carranza's favorite general, Pablo González, launched campaign after campaign. Zapata's forces diminished, and the territory under his control shrank to the vanishing point, but he remained unconquerable, supported by the affection and loyalty of the peasantry. His fall came through treachery. Invited to confer with a Carrancista officer who claimed to have gone over to his side, Zapata was ambushed and slain on April 10, 1919. But his people continued their struggle for *tierra y libertad* (land and liberty).

After an unsuccessful effort to extend his power in 1920, Carranza fell victim to a revolt led by his former ally, Álvaro Obregón, who assumed the presidency and restored peace to Mexico, but the work of national reconstruction was yet to begin. It would not be an easy task. The great wind that swept through Mexico had left a devastated land, with hundreds of thousands dead or missing; the Mexican population had actually declined by 1 million since 1910. The constitution of 1917 offered a blueprint for a new and better social order, but major obstacles to change remained. Not the least were the hundreds of generals thrown up by the great upheaval, men of humble origins who once had nothing and now had an incurable itch for wealth and power. With his characteristic wry humor, Obregón summed up the problem when he said that the days of revolutionary banditry had ended because he had brought all the bandits with him to the capital to keep them out of trouble.

## Reconstructing the State: Rule of the Millionaire Socialists

### OBREGÓN AND REFORM

With Obregón there came to power a group of northern generals and politicians who began the work of economic and social reconstruction that Madero, Huerta, and Carranza were unable or

unwilling to achieve. Obregón and his successor, Calles, were of middle-class or even lower-class origins—Obregón had been a mechanic and farmer, Calles a schoolteacher. They both were products of a border region where U.S. cultural influence was strong and where capitalism and capitalist relations were more highly developed than in any other part of Mexico. Obregón and Calles thus possessed a pragmatic business mentality as far removed from the revolutionary agrarian ideology of Zapata as it was from the aristocratic reformism of Carranza. These men deliberately set out to lay the economic, political, and ideological foundations of a Mexican national capitalism.

Aware that the revolution had radicalized the masses, aware of the appeal of socialism and anti-imperialism to the workers on whose support they counted, Obregón and Calles employed a revolutionary rhetoric designed to mobilize popular support and conceal the insignificance of the social changes that took place. In practice, Obregón's program was revolutionary only by contrast with the reactionary trend that characterized the last years of Carranza's rule. Far from promoting socialism, Obregón sought accommodation with all elements of Mexican society except the most reactionary clergy and landlords. He allowed exiles of the most varied political tendency to return to Mexico, and radical intellectuals rubbed shoulders with former Científicos in his government. Power was held by a ruling class of wealthy generals, capitalists, and landlords. Labor and the peasantry were the government's obedient clientele.

Regarding agrarian reform as a useful safety valve for peasant discontent, Obregón distributed some land to the pueblos. But the process proceeded slowly, haltingly, against the intense opposition of the hacendados and the church, which condemned the agrarian reform because it did not take account of the "just rights of the landlords." Litigation by landlords, their use of armed force to resist occupation of expropriated land, and the opposition of the clergy slowed down the pace of the land reform.

Even after a village received land, its prospect for success was poor, for the government failed to provide the peasants with seeds, implements, and

adequate credit facilities or modern agricultural training. Any credit assistance they received usually came from government rural banks, which exercised close control over land use, intensifying the client status of the peasantry, or from rural loan sharks. The Obregón land reform was neither swift nor thoroughgoing; by the end of his presidency, only some 3 million acres had been distributed among 624 villages, whereas 320 million acres remained in private hands.

Obregón also encouraged labor to organize, for he regarded trade unions as useful for stabilizing labor-capitalist relations and as an important bulwark of his regime. The principal trade union organization was the *Confederación Regional Obrera Mexicana* (CROM), formed in 1918. Despite the rhetoric of its leaders about "class struggle" and freedom from the "tyranny of capitalism," CROM was about as radical as the American Federation of Labor, with which it maintained close ties. Its perpetual boss was Luis Morones, known for his flashy dress, diamonds, and limousines. As the only labor organization sponsored and protected by the government, CROM had virtually official status. Despite this official protection, Morones's method of personal negotiation with employers yielded scanty benefits to labor; wages barely kept pace with the rising cost of living.

Perhaps the most solid achievements of the Obregón regime were in the areas of education and culture. The creation of a native Mexican capitalism demanded the development of a national consciousness, which meant the integration of indigenous peoples—still made up of so many small nations—into the national market and the new society. From this point of view, they were a key problem of Mexican reconstruction. Because incorporating them into the modern world required a thorough understanding of their past and present conditions of life, the revolutionary regimes encouraged *indigenismo* based on scientific study of indigenous peoples.

An integral part of *indigenismo* was a reassessment of indigenous cultural heritage. To insist on the greatness of the old native arts was one way of asserting the value of one's own, of revolting against the tyranny of the pallid, lifeless French and

Spanish academicism over Mexican art during the last decades of the Díaz era. From Europe returned two future giants of the Mexican artistic renaissance, Diego Rivera and David Alfaro Siqueiros, to join another gifted artist, José Clemente Orozco, in creating a militant new art that drew much of its inspiration from the indigenous peoples and their ancient art. Believing that “a heroic art could fortify the will to reconstruction,” Obregón’s brilliant young secretary of education, José Vasconcelos, offered the walls of public buildings for the painting of murals that glorified the natives, past and present.

The “Indianist” cult had great political significance. The revolution’s enemies, unregenerate Porfiristas, clericals, and reactionaries of all stripes, looked back to Spain as the sole source of enduring values in Mexican life. They regarded Cortés as the creator of Mexican nationality, but partisans of the revolution tended to idealize Aztec Mexico (sometimes beyond recognition) and elevated the last Aztec warrior-king, Cuauhtémoc, to the status of a demigod.

Convinced that the school was the most important instrument for unifying the nation—that “to educate was to redeem”—Vasconcelos, with ample financial support from Obregón, launched an imaginative program of cultural missions designed to bring literacy and health to indigenous villages. Professor Elena Torres, a founding member of the Mexican National Council of Women and a fiery socialist feminist, supervised the training of more than four thousand rural teachers, most of whom were women commissioned to bring the gospel of sanitation and literacy to remote pueblos. Torres acquired practical experience in this field during her collaboration with Yucatán state governor Felipe Carrillo Puerto, whose progressive reform agenda included “socialist education,” state-supported birth control, women’s suffrage, and civil equality.

Vasconcelos also founded teacher-training colleges, agricultural schools, and other specialized schools. An achievement in which he took special pride was the publication of hundreds of classic works in cheap editions for free distribution in the schools. Although these state education programs aimed to promote capitalist land and labor relations by building a patriarchal solidarity with

peasants who were otherwise hostile to this goal, the result was much more ambiguous. According to historian Mary Kay Vaughan, the rural literacy crusades “injected new notions of women’s work and personhood” into traditional rural images of women, thereby empowering *campesinas* and their local communities in ways unanticipated by national leaders. These villagers soon took advantage of the growing institutional rivalry between church and state to expand their autonomy.

The new, secular, nationalist school provoked clerical anger, for it threatened to supplant the priest with the teacher as the guiding force of the rural community. The church fought back with all the means at its disposal. Some priests denounced secular education from their pulpits and threatened parents with excommunication if they sent their children to state schools. As a result of this campaign, many teachers were attacked and some killed by fanatical villagers. Still, Obregón made no effort to implement Article 3 of the constitution, which banned religious primary schools, for he believed that in the absence of enough resources on the part of the state, it was better that Mexican children receive instruction from priests than remain illiterate.

The Catholic issue joined with other issues to cause Obregón difficulties in his relations with the United States. For three years, the U.S. government withheld diplomatic recognition from Obregón in an effort to force him to recognize that Article 27 of the constitution should not apply to mineral concessions obtained by foreigners before 1917. Like Carranza, Obregón was willing to respect the principle of nonretroactivity but refused to formalize it in a treaty as a condition of U.S. diplomatic recognition, which he considered humiliating and politically destabilizing.

Obregón’s practical policies, however, confirmed his interest in securing the rights of private property essential to foreign investment and capitalist growth. He signed agreements that renewed Mexico’s foreign debt service payments, returned the National Railways to private ownership, and resolved various indemnity claims; he also secured Supreme Court rulings that declared unconstitutional any attempt to apply Article 27

retroactively. Faced with Obregón's uncompromising demand for unconditional U.S. recognition and a growing counterrevolutionary insurgency that threatened once again to destabilize Mexico, thereby undermining these agreements, the United States formally recognized the Mexican government in August 1923. When the expected revolt broke out in December, the United States allowed Obregón to procure large quantities of war materiel. Together with the help of the organized labor and peasant movements, this aid enabled Obregón to crush the uprising, which was supported by reactionary landowners, clergy, and military. On November 30, 1924, Obregón's hand-picked successor, Plutarco Eliás Calles, assumed the presidency of Mexico.

### CALLES'S REGIME

In and out of office, as legal president or de facto dictator, Calles dominated the next decade of Mexican politics. Building on the foundations Obregón had laid, he continued his work with much the same methods. His radical phraseology tended to conceal the pragmatic essence of his policy, which was to promote the rapid growth of Mexican national capitalism, whose infrastructure he helped to establish. To strengthen the fiscal and monetary system, he created the Bank of Mexico, the only bank permitted to issue money. A national road commission was organized, and a national electricity code was enacted to aid the electric power industry. These measures stimulated the growth of construction and consumer goods industries, in which members of Calles's official family—or the “revolutionary family,” as the ruling elite came to be called—were heavily involved. Protective tariffs, subsidies, and other forms of aid were generously extended to industry, both foreign and domestic. In 1925 an assembly plant of the Ford Motor Company began operations in Mexico after Calles and the company negotiated an agreement providing for numerous concessions.

Calles showed more enthusiasm for land reform than Obregón, and the tempo of land distribution increased sharply during his presidency. Like

Obregón, Calles regarded land reform as a safety valve for peasant unrest. During the four years of his term, Calles distributed about twice as much land as Obregón had. But less than one-fourth of that amount consisted of arable land, for Calles did not require the hacendados to surrender productive land, and most of the land given up came from pasture or forest lands, or even land that was completely barren. Nor did Calles make a serious effort to provide the peasantry with irrigation, fertilizer, implements, or seed. He established a government bank that was supposed to lend money to the ejidos, promote modern farming techniques, and act as agents for the sale of their produce. But four-fifths of the bank's resources were loaned not to ejidos but to hacendados who had much superior credit ratings, and many of the bank's agents took advantage of their position to enrich themselves at the expense of the peasants.

Under these conditions, it is no wonder that the land reform soon appeared to be a failure. By 1930 grain production had fallen below the levels of 1910, and Calles, concluding that peasant proprietorship was economically undesirable, announced the abandonment of land distribution. Meanwhile, on his own large estates, Calles introduced machinery and other modern agricultural techniques and advised other large landowners to do the same.

Like Obregón, Calles regarded labor unions as desirable because they helped stabilize labor-capitalist relations and avert radical social change. But by the end of the *Callista* decade, Mexican labor, disillusioned with a corrupt leadership that kept wages at or below the subsistence level, had begun to break away from CROM and form independent unions.

Although Calles had announced his rhetorical support for women's rights, he did little to advance them, prompting women to organize themselves to secure their political, social, and economic liberation. Socialist Elvia Carrillo Puerto, sister of the Yucatecan caudillo, and communist María “Cuca” García organized women government employees; Elena Torres joined García to establish the Mexican Feminist Council, and the Mexican Feminist

League appeared a few years later. At successive national and international conferences, however, these women inevitably clashed over issues of class. For example, when a middle-class delegate argued for prohibitions on begging, García objected, "How can one prevent begging when there is no work, when salaries are so meager, and you have the poor in complete helplessness?" Carrillo Puerto concluded the ensuing debate, scorning "the people of class" as "parasites that suck the life-blood from the country."

Calles continued the Carranza and Obregón policies of asserting Mexico's right to regulate the conditions under which foreign capital could exploit its natural resources, but he was far from hostile to foreign capital. Indeed, he gave assurances that "the government will do everything in its power to safeguard the interests of foreign capitalists who invest money in Mexico."

But a serious dispute with the United States arose in 1925 when the Mexican Congress passed laws to implement Article 27. The most important of these measures required owners of oil leases to exchange their titles for fifty-year concessions dating from the time of acquisition, to be followed, if necessary, by a thirty-year renewal, with the possibility of yet another extension if needed. No Mexican oil well had ever lasted more than eighty years. Far from injuring the foreign oil companies, the law eliminated the vagueness of their status under Article 27, gave them firm titles emanating from the government, and served to quiet more radical demands for outright nationalization. However, a number of U.S. oil companies denounced the law as confiscatory and threatened to continue drilling operations without confirmatory concessions.

The U.S. State Department vigorously protested the restrictive legislation, and the U.S. ambassador, James R. Sheffield, pursued a hard-line, uncompromising policy. By late 1926 the United States appeared to be moving toward war with Mexico. Fortunately, the interventionist policy came under severe attack from progressive Republican senators, the press, church groups, and the academic world. President Calvin Coolidge and Secretary of State Kellogg, realizing that war with

Mexico would have little national support, sought a way out of the impasse and were aided by U.S. international bankers, who had a firmer grasp of Mexican policies and intentions. The appointment of Dwight Morrow, a partner in the financial firm of J. P. Morgan, as ambassador to Mexico in September 1927 marked a turning point in the crisis. Morrow managed to persuade Calles that portions of the oil law had the potential for injuring foreign property rights, with the result that the Mexican Supreme Court found unconstitutional that portion of the law setting a time period on concessions. But as rewritten, the law still provided for confirmatory concessions and reaffirmed national ownership of the subsoil.

In addition, a serious domestic dispute arose as a result of the government's alienation of peasant communities disadvantaged by its market reforms and the growing opposition of the church to the whole modernizing thrust of the revolution. Under Calles this opposition assumed the proportions of a civil war. In January 1926 the church hierarchy signed a letter declaring that the constitution of 1917 "wounds the most sacred rights of the Catholic Church" and disavowed the document. Calles responded by enforcing the anticlerical clauses of the constitution, which had lain dormant. The Calles Law, as it was called, ordered the registration of priests with the civil authorities and the closing of religious primary schools. The church struck back by suspending church services throughout Mexico, a powerful weapon in a country so overwhelmingly Catholic.

But neither this strike nor the boycott organized by the church, which urged the faithful to buy no goods or services except absolute necessities, brought the government to its knees. By the end of 1926, militant Catholics, in frequent alliance with local hacendados, had taken up arms. Guerrilla groups were formed, with the mountainous backcountry of Jalisco the main focus of their activity. Government schools and young teachers sent into remote areas were frequent objects of clerical fury; many teachers were tortured and killed. The total number of Catholic guerrillas, known as *Cristeros* from their slogan *Viva Cristo Rey* (Long Live Christ

the King), was small, but federal commanders helped keep the insurrection alive by the brutality of their repressions. By the summer of 1927, however, the revolt had largely burned itself out.

In 1929, after a fanatical Catholic assassinated president-elect Obregón, Calles named a succession of interim presidents to complete his term, crushed a rebellion led by regional military caudillos, and organized the National Revolutionary Party (PNR) to pacify the country and institutionalize the political rule of the “revolutionary family.” Under different names and with leaderships of differing composition, this party dominated Mexican politics for six decades. The official party’s candidates for president did not lose an election until 2000.

But the PNR was not immune from conflict. In fact, the Great Depression immediately challenged it by exposing the bankruptcy of capitalist economics and increasing the misery of Mexican peasants and workers. Their growing unrest created fears of a new revolutionary explosion. Rumblings of protest were heard even within the ruling party. A new generation of young, middle-class reformers demanded vigorous implementation of the constitution of 1917. Some were intellectuals who had been influenced by Marxism and the success of the Soviet example, especially its experience with economic planning, but their basic message was the need to resume the struggle against the latifundio, peonage, and economic and cultural backwardness.

This message was loudly trumpeted at successive meetings of the National Congress of Women Workers and Peasants in the early 1930s. Here, “Cuca” García, for example, accused the Callistas of murdering campesinos and denounced their neglect of poor peasant women: “The agrarian legislation,” she thundered, “condemns them always to live in their father’s, husband’s, or brother’s poverty,” denying them the “economic independence [that] is the foundation of women’s political independence.” García was promptly arrested but was later released when thousands of women rallied to her defense at the jail. Despite rancorous debate, these meetings typically pressed for more progressive state action to expand indigenous rights, protect women work-

ers, raise the minimum wage, increase land reform, and promote women’s suffrage.

By 1933 the influence of the progressive wing within the PNR had grown. Its acknowledged leader was General Lázaro Cárdenas, governor of Michoacán, who had established an enviable record for honesty, compassion, and concern for commoners. He had spent almost 50 percent of his budget on education, doubling the number of schools in the state. Despite his progressive ideas, he enjoyed the support of the “revolutionary family’s” inner circle in 1933. Although there was no doubt that he would be elected, Cárdenas campaigned vigorously, visiting the most remote areas of the country, patiently explaining to workers and peasants his Six-Year Plan to strengthen the ejidos, build modern schools, and develop workers’ cooperatives.

## Cárdenas and the Populist Interlude

Under Cárdenas, the Mexican Revolution resumed its advance. Land distribution to the villages on a massive scale was accompanied by a many-sided effort to raise agricultural productivity and improve the quality of rural life. Labor was encouraged to replace the old, corrupt leadership with militant leaders and to struggle for improved conditions. A spirit of service began to pervade at least a part of the governmental bureaucracy. Cárdenas set an example to subordinates by displaying the democratic simplicity of his manners, cutting his own salary in half, and making himself available to the delegations of peasants and workers who thronged the waiting rooms of the National Palace.

### LAND REFORM

Having consolidated his political control, Cárdenas proceeded to implement his reform program. He regarded land distribution as of prime importance. Land was distributed to the peasantry in a variety of ways, according to the climatic and soil conditions of the different regions. The principal form was the ejido, the communal landholding system under which land could not be mortgaged or alienated

(except under very special conditions), with each *ejidatario* entitled to use a parcel of community land. The ejido was the focal point of the agrarian reform. But Cárdenas also distributed land in the form of the *ranchos*, the individual small holding widely prevalent in the northern Mexican states. Finally, in regions where natural conditions favored large-scale cultivation of such commercial crops as sugar, cotton, coffee, rice, and henequen, large cooperative farms (collective ejidos) were organized on a profit-sharing basis. The government generously endowed these enterprises with seeds, machinery, and credit from the *Banco de Crédito Ejidal*.

During the Cárdenas years, some 45 million acres of land were distributed to almost twelve thousand villages. The Cárdenas distribution program struck a heavy blow at the traditional, semifeudal hacienda and peonage, satisfied the land hunger of the Mexican peasantry for the time being, and promoted a general modernization of Mexican life and society. By 1940, thanks to the land reform and supplemented by the provision of villages with schools, medical care, roads, and other facilities, the standard of living of the peasantry had risen, if only modestly. These progressive changes in turn contributed to the growth of the internal market and therefore of Mexican industry. The land reform also justified itself in terms of productivity; average agricultural production during the three-year period from 1939 to 1941 was higher than it had been at any time since the beginning of the revolution.

Granted these benefits and Cárdenas's excellent intentions, the fact remains that the land reform suffered from the first from certain structural defects. To begin with, it was basically conceived as a means of satisfying land hunger by granting or returning land to the villages, and it overlooked the need to establish agricultural units that would be viable from an economic point of view. In many cases, the *ejidal* parcel, especially in areas of very dense population, was so small as to form a minifundio. Much of the distributed land was of poor quality (the agrarian law always allowed the landowner to retain a portion of his estate, and naturally landowners kept the best portions for

themselves), and aid in the form of seeds, technical assistance, and credit was frequently inadequate.

In addition, peasants received their land from the government, which controlled their activities through the operations of the *Departamento Agrario*, the Banco de Crédito Ejidal, and officially organized peasant leagues; thus, they were increasingly dependent on public authorities. Under Cárdenas, officials of these agencies worked to develop peasant collective initiative and democracy, but they also sought to enmesh the peasantry and its organizations in a bureaucratic network that manipulated them to satisfy the State's own interests. After 1940, Mexican governments increasingly favored large private property and neglected the ejido. In concert with the structural defects of the land reform, this produced a gradual decline of the ejido system and a parallel growth of large landed property, leading to the emergence of a new latifundio.

#### LABOR REFORM

Under Cárdenas the labor movement was revitalized. Aware of the sympathetic attitude of the new regime, workers struck in unprecedented numbers for higher wages and better working conditions; in 1935 there were 642 strikes, more than twice the number in the preceding six years. In 1936 the young radical intellectual Vicente Lombardo Tolezano organized a new labor federation, the *Confederación de Trabajadores Mexicanos* (CTM), to replace the dying and discredited CROM. Labor supported and in turn was supported by Cárdenas.

Labor, the peasantry, and the army became the three main pillars of the official party, reorganized in 1938 and renamed the Party of the Mexican Revolution (PRM). The power of the generals was weakened by a policy of raising wages and improving the morale of the rank-and-file and by the distribution of weapons to the peasantry, formed into a militia.

Like the land reform, the labor reform had structural flaws that created serious problems for the future. In return for concessions from a paternal government, labor, like the peasantry, was invited to incorporate itself into the official apparatus

and to give automatic and obligatory support to a government that in the last analysis represented the interests of the national bourgeoisie. In the domestic and international situation of the 1930s, which was dominated by a struggle between profascist and antifascist forces, the interests of that bourgeoisie and Mexican labor largely coincided. However, in the changed conditions after 1940, labor's loss of independence and the meshing of its organizations with the official apparatus led to a revival of corruption and reactionary control of the trade unions.

### ECONOMIC REFORM

Although Cárdenas was sympathetic to labor's demands for better conditions, he was not averse to private enterprise, despite efforts by his foes to link him to socialism and communism. In fact, industrial capitalism made significant strides under Cárdenas. If Cárdenas supported labor's efforts to raise wages where the financial condition of an enterprise warranted it, he also favored Mexican industry with government loans and protective tariffs that ensured the creation of a captive market for high-priced consumer goods. In 1934 his government established the *Nacional Financiera*, a government bank and investment corporation that used funds supplied by the federal government and domestic investors to make industrial loans, finance public welfare projects, and issue its own securities. The coming of World War II, which sharply reduced the availability of imports, greatly stimulated the movement toward industrialization and import substitution.

Mexico's struggle for economic sovereignty reached a high point under Cárdenas. In 1937 a dispute between North American and British oil companies and the unions erupted into a strike, followed by legal battles between the contending parties. When the oil companies refused to accept a much-scaled-down arbitration-tribunal wage finding in favor of the workers, Cárdenas intervened. On March 18, 1938—a date celebrated by Mexicans as marking their declaration of economic independence—the president announced in a radio speech that the properties of the oil companies

had been expropriated in the public interest. With support from virtually all strata of the population, Cárdenas was able to ride out the storm caused by economic sanctions against Mexico on the part of the United States, England, and the oil companies. The oil nationalization was a major victory for Mexican nationalism. It provided cheap, plentiful fuel for Mexican industry, and the needs of the nationalized oil industries further stimulated industrialization. But the oil nationalization did not set a precedent; some 90 percent of Mexico's mining industry remained in foreign hands.

### WOMEN'S RIGHTS

Pressured by a well-organized, increasingly cohesive women's movement, Cárdenas supported constitutional reform "to grant equal rights" and pledged to create a women's section of the PNR to guarantee that "working women have the right to participate in electoral struggles." Meanwhile, women consolidated their organizational efforts in the United Front for Women's Rights, under the leadership of veteran feminist "Cuca" García and other socialist and communist women. The Front, incorporating some eight hundred women's groups with more than fifty thousand members, demanded women's right to vote and hold office, civil equality, protective legislation for women workers, social integration of indigenous women, and women's centers for cultural education and vocational training.

In 1937, even though the law forbade women to hold elective office and the PNR refused to slate her, the Front supported García's successful primary race for a seat in the Chamber of Deputies. It also secured congressional and state legislative approval of a constitutional amendment permitting woman suffrage beginning in 1939, but thereafter the PNR-dominated Congress, split by fractious party infighting and fearful of a resurgent Catholic conservatism that might have benefited politically from women's enfranchisement, neglected to pass the necessary enabling legislation. Woman suffrage would have to wait until 1953, when a more conservative ruling party had reached a *modus vivendi* with the Catholic Church.

### CÁRDENAS'S GROWING MODERATION AND THE ELECTION OF 1940

Education, especially the rural school system, made considerable progress under Cárdenas. Of Tarascan origin, Cárdenas displayed much concern for indigenous welfare. He created a *Departamento de Asuntos Indígenas* to serve and protect their interests and encouraged the study of their culture, past and present, by founding the *Instituto Nacional de Antropología de México*.

But in the last years of his presidency, in apparent deference to clerical and conservative opposition, Cárdenas abandoned many reforms and soft-pedaled the so-called socialist character of Mexican education. He also slowed down the pace of land distribution and displayed a conciliatory attitude toward the entrepreneurial class, assuring its members that he regarded them as part of the *fuerzas vivas* (vital forces) of the country and that they need not fear for the safety of their investments.

### The Big Bourgeoisie in Power, 1940–1976: Erosion of Reform

The Cárdenas era was the high-water mark of the struggle to achieve the social goals of the revolution. During those years, the material and cultural condition of the masses had improved, if only modestly; peasants and workers managed to secure a somewhat larger share of the total national income. Under his successors, the social conquests of the Cárdenas years slowly eroded. After 1940 the new rulers of Mexico favored a development strategy that sharply restricted trade union activity, slowed the tempo of agrarian reform, and reduced the relative share of total income of the bottom two-thirds of the Mexican population.

Ironically, General Manuel Ávila Camacho, a Cárdenas loyalist and devout Catholic, presided over the first phase (1940–1946) of this policy reversal. Regarding unlimited private profit as the driving force of economic progress, he proposed to create a favorable climate for private enterprise. In practice, this meant the freezing of wages, the repression of strikes, and the use of a new weapon

against dissidents, a vaguely worded law dealing with the “crime of social dissolution.”

Meanwhile, World War II stimulated both the export of Mexican raw materials and import-substitution industrialization. Significant advances were made in food processing, textiles, and other consumer goods industries, and the capital goods industry, centered in the north, was considerably expanded. Steel production increased, with Monterrey Steel and other companies producing structural and rolled steel for buildings, hotels, highways, and steel hardware. The Nacional Financiera played a leading role in this process of growth through loans to industry for plant construction and expansion. In view of this spontaneous economic growth, the concept of planning was forgotten; the second Six-Year Plan remained on paper. No effort was made to produce a balanced development of the Mexican regions; most of the development took place in the Federal District and the surrounding area. Meanwhile, land distribution was sharply reduced.

In 1946 the official party changed its name to the PRI (*Partido Revolucionario Institucional*), and the lawyer Miguel Alemán (1946–1952) succeeded Ávila Camacho as president. Alemán made every effort to continue the policies of his predecessor; he encouraged private investment through tariff protection, import licensing, subsidies, and government loans. This favorable economic climate attracted domestic and foreign investors looking for outlets for their surplus capital after World War II. A characteristic of the new foreign capital investment was that it flowed primarily into manufacturing rather than the traditional extractive industries.

Under Alemán and his successor, Adolfo Ruiz Cortines (1952–1958), land distribution and efforts to increase the productivity of the ejidos were neglected in favor of the large, private landholding. To provide an incentive to capitalist entrepreneurs, Alemán had Article 27 of the constitution amended. This “reform” consisted in the grant of certificates of “inaffectibility” to landowners, which exempted them from further expropriation for holdings up to 100 hectares of irrigated land or 200 hectares of land with seasonal rainfall. For the

production of certain specified crops, the size of in-affectible holdings was made even larger.

A massive program of irrigation contributed to the explosion of capitalist agriculture that began in this period. The irrigation projects were concentrated in northern and northwestern Mexico, where prominent Mexican politicians, their friends, and relatives owned much of the land directly or indirectly. Alemán presided over a great boom in public works construction, accompanied by an orgy of plunder of the public treasury by entrepreneurs and officials; his was probably the most corrupt administration in modern Mexican history.

There arose a new hacienda, technically efficient and often arrayed in modern corporate guise, which soon accounted for the bulk of Mexico's commercial agricultural production and shared its profits with processing plants that were usually subsidiaries of foreign firms. By 1961, fifty years after the revolution began, less than 1 percent of all farms possessed 50 percent of all agricultural land. Meanwhile, increasing numbers of small landholders, starved for credit and lacking machinery, had to abandon their parcels of land and become peons on the new haciendas or migrate to the cities in search of work in the new factories.

Industry continued to grow but was increasingly penetrated and dominated by foreign capital. A favorite device for foreign penetration of Mexican industry was the mixed, or joint, company, which had a number of advantages. First, it satisfied the requirement of Mexican law that Mexican nationals hold 51 percent of most companies operating in Mexico. Second, it camouflaged actual domination of such enterprises by the foreign partners through control of patents, licensing agreements, and other sources of technological and financial dependence. Finally, it formed strong ties between foreign capitalists and the native industrial and financial bourgeoisie.

## Popular Culture and Resistance

The economic and social policies of Presidents Adolfo López Mateos (1958–1964) and Gustavo Díaz Ordaz (1964–1970) did not differ significantly

from those of their predecessors. Under Díaz Ordaz, discontent among workers mounted as their real income shrank as a result of chronic inflation, a virtual freeze on wages, and official control of trade union organizations, known as *charrismo*. Demetrio Vallejo of the independent railway workers epitomized this growing instability and led a series of strikes that quickly spread to other workers. The teachers' strike was especially disturbing to the PRI's authoritarian state and its proponents, such as the newspaper *Excelsior*, which promptly lamented the lack of respect for "authority" that this inculcated among students who consequently were not taught about "the inviolable and absolute respect for private property."

The 1957 death of Pedro Infante also gave voice to this growing social alienation. Arguably Mexico's premier entertainer, Infante, born to poverty, became famous for his good looks, quick wit, anarchic lifestyle, enormously popular films, and *ranchera* songs that proclaimed, "It's better to die while dreaming than to live in reality." According to cultural historian Anne Rubenstein, his funeral and the riots that it occasioned among his mostly working-class fans represented this same social turmoil and growing popular resistance to Mexico's authoritarian state. Angered at his untimely death in an airplane crash, Infante's working-class fans empathized with their hero, whom they saw as a victim of the same forces of modernization that daily assaulted their lives. As a result, they lashed out at Mexico City's police, the most visible and proximate representatives of an authoritarian state that had relentlessly promoted modernization in the postwar world.

Popular resistance to modernization also was reflected in the experience of Mexican workers at the General Motors plant in Mexico City, which further illustrated the impact of global market changes in the 1960s. For many years, General Motors had been the symbol par excellence of postwar modernity, the populist state's import-substitution industrialization strategy, and paternalistic transnational corporate managerial relations with workers. The company, according to historian Steven Bachelor, traditionally had prided itself on creating

a family environment with which Mexican workers would readily identify. This included relatively high wages, paid vacations, educational scholarships for workers' children, and company-sponsored baseball, soccer, and bowling leagues. These collaborative relationships began to deteriorate, however, as international markets for automobile production became increasingly competitive and domestic demand grew in response to the 1962 Integration Decree, which required domestic production of all cars sold in Mexico. Thereafter, GM's corporate management forcibly retired older workers, hired younger replacements at half the wages, restricted employees' bathroom breaks, and dramatically increased the speed of assembly line operations to maximize productivity and profits. One worker, unable to endure the relentless pressure of the accelerated assembly line, broke down in tears. Others naturally resisted these pressures through open acts of defiance: one, whose boss refused to authorize a bathroom break, simply urinated on the spot; others, like Clemente Zaldívar, sabotaged the assembly line. By 1965 these tensions exploded into a month-long strike against General Motors that won some considerable wage benefits but failed to achieve the workers' goal of greater control over production decisions.

Student unrest also grew. Historian Eric Zolov argues that this was, at least in part, the consequence of the invasion of British and U.S. rock-and-roll music in the late 1950s and 1960s. Initially embraced by the López Mateos's government as a symbol of Mexico's newly achieved modernity, Mexico's cultural industries celebrated rock-and-roll, along with other musical imports like *cha-cha-chá* and *mambo* from Cuba and *cumbia* from Colombia. Epitomized by the lyrics, facial expressions, and body movements of Elvis Presley, however, upper- and middle-class Mexican youth seemed more interested in rock's sneering contempt for traditional values, associated in Mexico with *buenas costumbres*, or "good behavior." Because this threatened the stability of the nation's patriarchal, authoritarian power, it was quickly denounced in the press as "*rebeldismo sin causa*" (rebellion without a cause), and an effort to dis-

credit foreign rock shortly ensued. For example, rumors soon circulated that Presley had said he would "rather kiss three black girls than a Mexican," and an advertising campaign entitled "Die Elvis Presley" was soon initiated.

But this did not dampen the enthusiasm of Mexican middle-class youth for rock-and-roll music. On the contrary, it became more popular than ever. Mexican bands like Los Loud Jets, Los Rebeldes del Rock, and Los Teen Tops became national icons, at least in part as a result of nationalistic laws that placed high tariffs on foreign imports and required radio stations to feature Mexican artists. Ironically, the popularity of these Mexican bands was a reflection of their skill at producing accurate English-language covers (*refritos*) of British and U.S. rock songs by bands like the Doors, the Beatles, the Rolling Stones, Jimi Hendrix, and Janis Joplin, whose music increasingly celebrated freedom, rebellion, and disrespect of tradition. By the end of the 1960s, the rock music that flourished in Mexico City's *cafes cantantes* (coffeehouses) unleashed *La Onda* (the Wave), which became Mexico's counterculture, championing alike the cultural contributions of Che Guevara, Allen Ginsberg, and Mick Jagger. Denouncing these coffeehouses as "centers of perversion" that were influenced by decadent foreigners, the authorities organized a campaign to close them down in 1965 and instructed border officials to deny visas to "dirty, long-haired North American youth."

This was the cultural background against which the student protest movement of 1968 unfolded. Many of those who rallied in support of student demands for an end to state repression were initially attracted to the movement by its association with the rock-and-roll subculture that had developed over the previous decade. Zolov interviewed one student who confessed that in his early teens he had known little about the movement except that it was composed of students from the national university who "listened to rock." Others recalled that the student movement recruited supporters for its opposition to an authoritarian patriarchal social order by invoking state and parental repression of rock music: "Isn't it true they don't let you listen to rock?"



Rock-and-roll music offered alienated Mexican youth a forum for their collective protest against cultural conformity, social inequality, and political repression. Organized in the aftermath of the Mexican government's slaughter of rebellious students at Tlatelolco Square, the 1971 Avándaro Music Festival provided more than 200,000 young people an opportunity to express their enthusiasm for a music that defied Mexico's established traditions. [Published in 1971 by "piedra rodante." Photo courtesy of Alberto Cruz Molina]

This student movement denounced police brutality against student protesters and violations of the constitutional autonomy of the national university. The student protest broadened into a nationwide movement demanding democratization of Mexican economic and political life. The government responded with a savage assault by army troops on a peaceful assembly of students and others in the Plaza of Three Cultures in Mexico City (October 2, 1968), leaving a toll of dead and wounded running into the hundreds.

This massacre of students at Tlatelolco Square ignited a fierce repression of popular resistance that forced political opposition underground and channeled it into cultural forms. The student movement fractured into two groups: political radicals

and *jipitecas*, who joined foreign "hippies" in their common search for psychedelic mushrooms and an escape from the modern world into the "pristine poverty" of indigenous Mexico. During the next decade, Mexico's angry, young, urban working class laid its claim to the rebellious rock-and-roll culture that middle- and upper-class youth increasingly abandoned after 1968. Nurtured in the *hoyos fonquis*, or "funky holes," bands like Los Dug-Dugs, with their "dirty and disheveled look" and "insolent gestures that offend," used these urban "raves" to reflect and represent their youthful working-class protest, which found its ultimate outlet at the Avándaro music festival in 1971. Here, Mexican rock bands attracted an audience of more than 200,000 that included *fresas* (wealthy,

privileged elites), middle-class *onderos*, and a large number of *nacos*, lower-class youth from the “proletarian neighborhoods of the Federal District.” Critics on the left and right alike denounced the cultural anarchy unleashed at Avándaro, but the participants themselves more closely identified with one of the featured bands, who insisted that “Rock isn’t about peace and love; rock is about revolution.” Although the rock subculture was self-consciously—and even aggressively—antipolitical, it gave voice to anti-authoritarian popular protest and provided a potentially powerful instrument of political organization that seemingly transcended class barriers. “Avándaro,” according to Zolov, “had revealed the political dangers of rock.” Not surprisingly, the PRI thereafter tried to close it down.

The economic strategy of the Díaz Ordaz administration centered on providing the greatest possible incentives to private investment, foreign and domestic. The foreign debt grew alarmingly, with the volume of foreign loans reaching a figure four times that of the Ruiz Cortines era. This heavy influx of loans increased the dependent character of the Mexican economy.

The official presidential candidate, Luís Echeverría, took office in 1970 amid deepening political, social, and economic storm clouds. Echeverría signaled a tactical shift when he released a large number of students and intellectuals imprisoned after the 1968 student disturbances, promised to struggle against colonialism and corruption, and condemned the unjust distribution of land and income in Mexico. However, recent publication of archival materials, memoirs, and other testimony removed any doubt about Echeverría’s leading role in the Tlatelolco massacre and the *guerra sucia* (dirty war) thereafter waged by PRI regimes against leftist opposition.

But conservative Mexican capitalists, closely linked with foreign capital, struck back by withholding investment funds from the market, setting off a serious recession. Under intense pressure from the right, Echeverría retreated. During his last three years in office, he reverted to traditional policies and methods, poorly concealed by a populist rhetoric. He publicly denounced colonialism and multinational corporations, but his government did its utmost to at-

tract foreign investments, especially from the United States. These investments also brought growing foreign penetration and domination of strategic sectors of Mexican industry. By the mid-1970s, 70 percent of earnings from the capital goods industry went to foreign capital, leaving 20 percent for public firms and 10 percent for national private companies.

As the investments increased, so did Mexico’s indebtedness and the drain of its capital in the form of dividends, interest, and other returns on foreign investment. By June 1976, Mexico’s foreign debt had reached \$25 billion. Mexico and Brazil shared the distinction of having the highest foreign debts among Third World countries. By September of that year, the growing trade deficit had forced the government to order a 60 percent devaluation of the peso, causing a sharp rise in inflation and greater hardship for the masses. The problems of landlessness or inadequate land and rural unemployment and underemployment remained as stubborn as ever. Some 6 million peasants were landless.

Prospects for the solution of Mexico’s urgent problems through the electoral process appeared dim because the PRI, dominated by the industrial and financial oligarchy, had an unshakable grip on power. That power rested in the last analysis on a system of institutionalized coercion and fraud. But other methods included the co-optation of dissidents into the state apparatus, which provided greater access to medical services, schools, low-cost housing, and other benefits to state employees, professionals, and organized workers. The state also orchestrated the paternalistic distribution of goods and services to the urban poor and generated a populist rhetoric that identified the ruling party with the great ideals of the Revolution. These policies slightly reduced mass poverty and income inequalities in Mexican society, but they reinforced a precarious popular base and legitimacy for the PRI’s monopoly of political power. By the 1970s, however, rampant inflation and a stagnant economy threatened both.

This was the legacy of Mexico’s new nationalism, born of the 1910 revolution. It had produced a new activist state dominated by a nationalistic bourgeoisie, but an armed, racially and ethnically diverse, politically mobilized peasantry still insisted on the satisfaction of its needs. This produced what

social scientists have called a “**social corporatism**” that guided Mexican national development throughout the twentieth century. It generated stable growth and a measure of development, but only as long as international export prices were high or relatively low-cost foreign loans were abundant. As we shall see in Chapters 13 and 14, similar global conditions accompanied by vastly different domestic racial, class, ethnic, and gender struggles led to more distinctively populist or **state corporatist** institutions in Brazil and Argentina. In the absence of favorable external conditions, however, all three nations faced uncertain futures.



**Go online for additional resources:**

- Primary sources
- ACE self-test quiz
- Chapter summary
- Flashcards
- Suggested readings

# Brazil: Populism and the Struggle for Democracy in a Multiracial Society

## FOCUS QUESTIONS

- What were the economic, social, and political conditions that led to Brazil's 1930 revolution?
- How did immigration and women's growing participation in the urban labor movement affect Brazil's national development?
- What was Vargas's populist program, how did it evolve, and how did it affect various sectors of Brazilian society?
- How did changing race relations affect Brazilian populism?



**A**LTHOUGH THE MEXICAN REVOLUTION pioneered a new nationalism and activist regulatory state in Latin America, the Brazilian populist experiment inaugurated by Getulio Vargas in 1930 more fully developed them. Under his leadership, the national state became a dominant force in Brazilian society, regulating the often contradictory interests of foreign investors, large plantation owners, local industry, workers, peasants, women, Afro-Brazilians, and indigenous communities.

On the eve of World War I, as revolution raged in Mexico, Brazil's economic, political, and social structures also showed growing strain and instability. Between 1910 and 1914, the Amazonian rubber boom began to fade as a result of competition from the new and more efficient plantations of the Far East. The approaching end of the rubber cycle revealed the vulnerability of Brazil's monocultural economy to external factors beyond its control and heightened its dependence on coffee. The coffee industry was itself plagued by recurrent crises of overproduction that required periodic re-

sort to **valorization**—governmental intervention to maintain coffee prices by withholding stocks from the market or restricting plantings.

Violence was endemic over large areas of the country. In the backcountry, feudal coronéis with private armies recruited from dependents and *jangunços* (hired gunmen) maintained a patriarchal but frequently tyrannical rule over the peasantry. Over large areas of the country, peasants lived in feudal bondage, obligated to give one or more days per week of free labor as homage to the landowners. Lacking written contracts, they could be evicted at any moment and could find work elsewhere only on the same conditions. The interior was also the scene of mystical or messianic movements that sometimes assumed the character of peasant revolts. Banditry, especially widespread in the northeast, was another response to the tyranny of rural coronéis and the impotence of officials. A few *cangaceiros* (outlaws) took the part of the peasantry against their oppressors; most, however, served as mercenaries in the coronéis's private wars.

Violence was not confined to the countryside. Even in the growing cities, proud of their European culture and appearance, popular anger at the arbitrary rule of local oligarchies, or divisions within those oligarchies, sometimes flared up into civil war. Intervention by the federal government in these armed struggles on the side of its local allies greatly enlarged the scale of violence and ultimately produced a populist revolution under the charismatic leadership of Getulio Vargas.

## Decline and Fall of the Old Republic, 1914–1930

### ECONOMIC IMPACT OF WORLD WAR I

The outbreak of World War I in August 1914 had a negative initial impact on Brazil. Exports of coffee, a nonessential product, declined, and in 1917 the government came to the rescue of the planters with a new valorization (price maintenance) program. However, the growing demand of the Allies for sugar, beans, and other staples had by 1915 sparked a revival that turned into a boom.

The war accelerated some changes under way in Brazilian economic life. It weakened British capitalism and therefore strengthened the North American challenge to British financial and commercial preeminence in Brazil. The virtual cessation of imports of manufactured goods also gave a strong stimulus to Brazilian industrialization. Profits derived from coffee, an industry protected by the state, provided a large part of the resources needed for industrialization. Favored by its wealth, large immigrant population, and rich natural resources, the state of São Paulo led the movement, replacing Rio de Janeiro as the foremost industrial region. Brazil doubled its industrial production during the war, and the number of enterprises (which stood at about 3,000 in 1908) grew by 5,940 between 1915 and 1918. But these increases were concentrated in light industry, especially food processing and textiles, and most of the new enterprises were small shops.

The advance of industry and urbanization enlarged and strengthened both the industrial bourgeoisie and the working class, which became

racially, sexually, and ethnically more diverse. After emancipation, Brazil's late-nineteenth-century white supremacist policies, drawing on foreign ideologies and elite fears of Afro-Brazilian power, had discriminated against blacks and encouraged European immigration to "whiten" the country's labor force and undermine the black majority's ability to negotiate favorable wages and working conditions. Thus, immigrant women, especially from Italy, played a central role in the early development of Brazil's industrial working class and dominated employment in the rapidly expanding textile industry. Of the nine thousand workers hired in thirty-one representative textile mills in São Paulo in 1912, almost seven thousand were women.

In response to wartime inflation that eroded the value of workers' wages, the trade union movement grew, and strikes became more frequent. In 1917 a general strike—the first in Brazilian history—gripped the city and state of São Paulo. The strike was organized and initiated by women weavers, whose paid and unpaid work responsibilities in the factory and in the home made them especially aware of the negative impact of wartime inflation on workers' wages. They therefore demanded a 20 percent wage increase, "more respect" from male supervisors, improvement of working conditions, and a promise that "in everything there should be reason and justice." These women's grievances rapidly spread to other factories, mobilized thousands of strikers who won significant concessions from the city's industrialists, and energized the national labor movement. Although the strike wave of 1917 to 1920 forced many employers to grant higher wages, the living conditions of most workers did not permanently improve. The labor movement, composed largely of foreign-born workers, remained small and weak, without ties with the peasantry, who formed the overwhelming majority of the Brazilian people.

The economic expansion associated with the war also had a dramatic impact on the development of Brazilian culture. Displaced from their homelands and lured by new economic opportunities in Brazil, new immigrants from Japan and the Ottoman Empire joined with migrants of African

descent from the nation's hinterland, especially the drought-ridden Northeast, in search of high-paying jobs that never seemed to materialize. Together they gathered in the urban centers of Rio de Janeiro and São Paulo in the sprawling slums known as *favelas* or *morros* and gave birth to the *samba*, a song and dance that drew heavily on Angolan and Congolese cultural traditions. The samba was closely associated with the ritualistic celebration of *carnival*, a popular street festival that preceded the Lenten season of self-sacrifice and created a safe public space for the lower classes to challenge established social hierarchies and to mock the customs, attitudes, dress, and beliefs of their social rivals. In fact, in its early days, the Brazilian aristocracy, which greatly feared the unruliness of its exploited work force, was scandalized by the wanton sexuality and the wild, irrepressible, and defiant behavior associated with carnival.

Samba lyrics similarly raised serious social and political issues, often using clever word play, double entendre, and the juxtaposition of contrasting images to scorn the arrogant power of the upper classes. In 1917, for example, one of Brazil's greatest samba artists, Ernesto dos Santos, better known as Dongo, recorded the first samba, "*Pelo Telefone* (On the Telephone)," which simultaneously celebrated the new technology and lamented its use by police officials to harass a poor man. During the postwar period, the radio broadened the popular appeal of the samba, repeatedly broadcasting the songs produced by competing *escolas da samba* ("samba schools"), the neighborhood clubs that organized community participation in carnival. Suddenly, the precise meaning of what it meant to be Brazilian had ceased to be as clear as the traditional light-skinned, Eurocentric plantation elites had imagined it. Change was in the air.

### POSTWAR INDUSTRY AND LABOR

Industrialization and urbanization further weakened the foundations of the neocolonial order, which was based on the primacy of agriculture and dependence on foreign markets and loans, but it emerged from the war essentially intact, although its stabilization proved temporary and precarious.

A chronically adverse balance of trade and a declining rate of exchange against foreign currencies gave Brazilian industry a competitive advantage in goods of popular consumption. It continued to grow, but it had little support from a central government dominated by the coffee interests. Bitter debates between the friends and foes of tariff protection for industry marked the political life of the 1920s.

As that decade opened, Brazil remained an overwhelmingly rural country. A few export products—coffee, sugar, cotton—dominated Brazilian agriculture; food production was so neglected that the country had to import four-fifths of its grain. There was an extreme concentration of landownership: 461 great landowners held more than 27 million hectares of land, whereas 464,000 small and medium-sized farms occupied only 15.7 million hectares. Archaic techniques prevailed in agriculture: the hoe was still the principal farming instrument and the wasteful slash-and-burn method the favored way of clearing the land. Even relatively progressive coffee planters gave little attention to care of the soil, selection of varieties, and other improvements. As a result, the productivity of plantations rapidly declined, even in regions of superior soil.

In the cities, most workers toiled and lived under conditions that recalled those of the early Industrial Revolution in Europe. In 1920 the average industrial worker in São Paulo earned about four milréis (sixty cents) a day; for this wage he or she worked ten to twelve hours, six days a week. Women earned only 60 percent of men's wages and suffered from abusive patriarchal power in the workplace. Historian Joel Wolfe documents the case of one such woman, Ambrosina Pioli, who was beaten savagely when she complained about her foreman's threats to fire her to make room for his lover.

Malnutrition, parasitic diseases, and lack of medical facilities limited Brazilians' average life span in 1920 to twenty-eight years. In the same year, more than 64 percent of the population over the age of fifteen was illiterate. Since literacy was a requirement for voting, the general lack of schools kept the people not only ignorant but politically

powerless. As expanding market forces dissolved traditional rural patron-client social relations, the impoverished peasantry often sought refuge in a culture of resistance that focused on daily survival strategies. Although periodically engaged in overt acts of sedition like the *Contestado* Rebellion of 1912–1916, peasants typically did not organize to transform Brazilian society.

### CULTURAL CRISIS AND POLITICAL UNREST

The task of transforming society fell to the rapidly growing urban bourgeois groups, and especially to the middle class, which began to voice ever more strongly its discontent with the rule of corrupt rural oligarchies. In the early 1920s, there arose a many-faceted movement for the renovation of Brazilian society and culture. Intellectuals, artists, junior military officers, professional men, and a small minority of radical workers participated in this movement. But they had no common program and did not comprehend the convergence of their aims and work.

Three seemingly unrelated events of 1922 illustrate the diverse forms that the ferment of the times assumed. First, in February, São Paulo intellectuals organized a Modern Art Week to commemorate the centenary of Brazilian independence. Influenced by rebellious European artists, these young poets, painters, and composers rejected the staid traditions of naturalism that had dominated the late-nineteenth-century Brazilian art world, declared their independence from old forms and content, and insisted on the need to develop indigenous Brazilian culture. Among the young intellectuals gathered there were Heitor Villa-Lobos, who became the nation's premier samba artist, and Oswald de Andrade, who later shocked Brazilian audiences by proclaiming the need to become “cultural cannibals”—that is, to consume foreign artistic ideas, mix them with Brazil's digestive enzymes, and thereby produce an authentically Brazilian national cultural identity that was neither xenophobic nor nativist.

Then in March 1922, after the appearance of Marxist groups in a number of cities, the Brazilian Communist Party was founded at a congress in Rio de Janeiro and began a struggle against the

anarcho-syndicalist doctrines that still dominated much of the small labor movement.

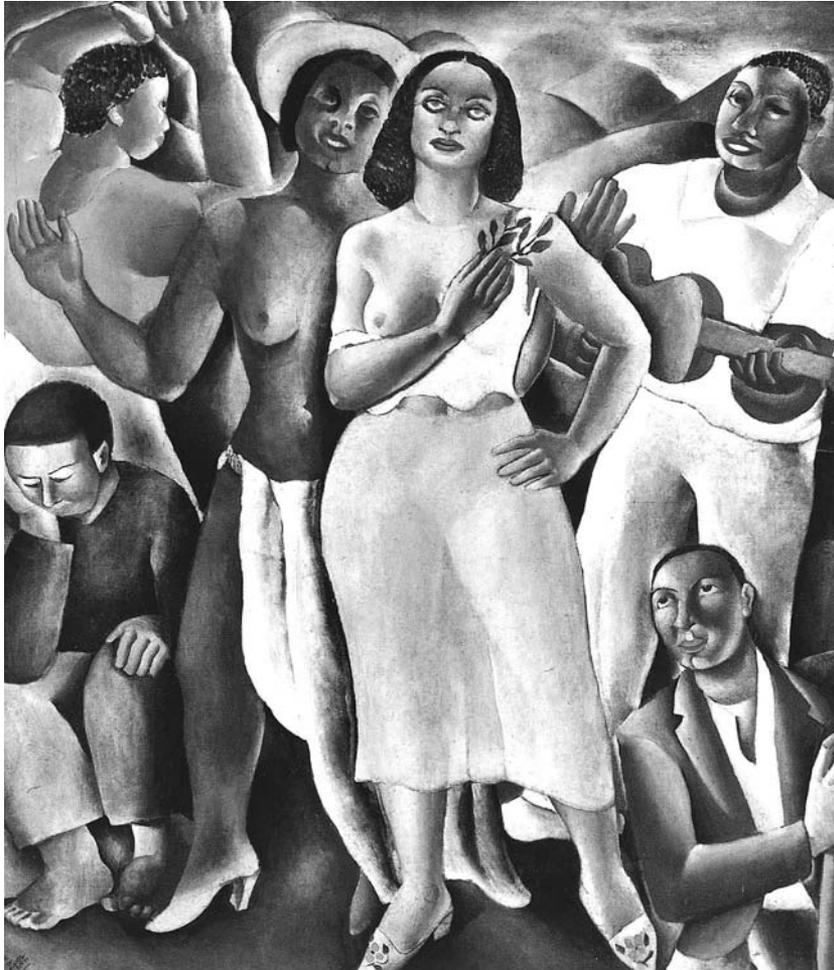
Last, in July, *tenentes* (junior officers) at the Copacabana garrison in Rio de Janeiro rose to prevent the seating of Artur da Silva Bernardes, who had been elected president according to the agreement between the two dominant states of São Paulo and Minas Gerais. The rebel program denounced the rule of the coffee oligarchy, political corruption, and electoral fraud. Government forces easily crushed the revolt, but it left a legend when a handful of insurgents refused to surrender and fought to the death against overwhelming odds.

The officers' revolt signaled the beginning of a struggle by the Brazilian bourgeoisie to seize power from the rural oligarchy. Given the closed political system, it inevitably assumed the character of an armed struggle, spearheaded by a nationalist young officer group, mostly of middle-class origins, who called for democratic elections, equal justice, and similar political reforms.

President Bernardes (1922–1926) took office amid growing economic and political turmoil. As a result of a massive increase in coffee plantings between 1918 and 1924, the industry again suffered from overproduction and falling prices. In 1924 another military revolt, organized by junior officers, broke out in São Paulo. The city's large working class was sympathetic to the revolt, but its conservative leaders rejected the workers' request for arms.

Meanwhile, the revolt had spread to other states. Another group of rebels in Rio Grande do Sul, led by Captain Luís Carlos Prestes, moved north to join the insurgents from São Paulo, and their combined forces, known in history as the Prestes column, began a prodigious fourteen-thousand-mile march through the interior. The *tenentes* hoped to enlist the peasantry in their struggle against Bernardes, but they knew little of the peasants' problems and offered no program of agrarian reform. The peasants, for their part, had no interest in fighting the “tyrant” Bernardes in distant Rio de Janeiro.

The long march had much educational value for the officers who took part in it. For the first time in their lives, many of these young men came face



One of the original organizers of Brazil's famous "Modern Art Week" in 1922 and a pioneer of Brazilian modernism was Emiliano di Cavalcanti. His *Samba* (1925) broke with artistic traditions that stressed the nation's European origins and instead celebrated Brazil's African and indigenous cultural roots. [Collection of Genevieve and Jean Boghici, Rio de Janeiro]

to face with the reality of rural Brazil and began to reflect on its problems. As a result, the tenente reform program acquired an economic and social content. It began to speak of the need for economic development and social legislation, including agrarian reform as well as minimum wages and maximum working hours.

Naturally, these conflicts provided additional political space for lower-class mobilization in the 1920s. Black Brazilians in Salvador da Bahia and

elsewhere joined Marcus Garvey's black power movement, prompting the government to solicit the covert assistance of the FBI in the United States to monitor and disrupt their activities. Meanwhile, others flocked to the practice of *candomblé*, a popular religion that evoked consciousness of the African past and created a spiritual community of resistance to white supremacist policies.

Brazilian women likewise mobilized in the militant tradition of nineteenth-century feminist

Motta Diniz, who had declared that “in all the world, barbarous or civilized, woman is a slave.” In 1922 women’s rights activist Berta Lutz organized the Brazilian Federation for the Advancement of Women (FBPF). Largely composed of middle-class professionals, it nonetheless advocated state intervention against market forces and called on the Bernardes government to protect “female labor, which has been subject to inhuman exploitation, reducing women to an inferior position in the competition for industrial and agricultural salaries.”

Although Bernardes survived this political opposition, he continued to be plagued by economic problems, with the coffee problem paramount. Bernardes applied the now orthodox remedy of valorization, but he gave it a decentralized form. The central government turned over the supervision of the scheme to the individual coffee-producing states. The state of São Paulo established an agency, the Coffee Institute, that undertook to control the export trade in coffee by regulating market offerings to maintain a balance between supply and demand. This was done by withdrawing unlimited stocks of coffee, storing them in warehouses, and releasing them according to the needs of the export trade. The plan required financing the producers whose coffee was withheld from the market. The program appeared to work, for prices rose and remained stable until 1929. But the burdens of valorization steadily grew, for high prices stimulated production, requiring new withdrawals and new loans to finance the unsold output. To make matters worse, the high coffee prices attracted Brazil’s competitors—especially Colombia—and they expanded their own output.

### ECONOMIC CRISIS

In 1926, Bernardes turned over the presidency to the Paulista Washington Luís de Sousa Pereira (1926–1930). During his administration, a series of new loans was made to support the valorization program. This especially alienated the nation’s industrial bourgeoisie, whose interests and power had continued to expand. The coffee oligarchs and their foreign bankers siphoned off financial and

labor resources needed by industry. High, state-sponsored coffee prices created greater demand for labor, which led to high turnover rates and increased costs in urban industry. By 1930 foreign loans had produced an external debt of \$1,181 million, and Brazil was required to pay \$200 million annually—one-third of the national budget—to service the debt. Squeezed between the conflicting demands of coffee planters and militant workers, these industrialists relied on local repression and privately funded social welfare programs to co-opt and control their labor force, even as they increasingly pressured the state to regulate economic activity in their interests.

By 1930, U.S. investment in Brazil had reached \$400 million, considerably larger than the British total, and the United States had supplanted England as Brazil’s chief trading partner. But Brazil’s heavy dependence on foreign markets and loans made it extremely vulnerable to the crisis that shook the capitalist world after the New York stock market collapsed in October 1929. Coffee prices fell from 22.5 to 8 cents a pound between 1929 and 1931, and immense stocks of coffee piled up in the warehouses. By the end of 1930, Brazil’s gold reserves had disappeared, and the exchange rate plummeted to a new low. As foreign credit dried up, it became impossible to continue to finance the valorization program, which collapsed, leaving behind a mountain of debt.

The presidential campaign and election of 1930 took place against a background of economic crisis, the principal burdens of which—unemployment, wage cuts, and inflation—fell chiefly on the working classes. But the crisis sharpened all class and regional antagonisms, especially the conflict between the coffee oligarchy and the urban bourgeois groups, who regarded the Depression as proof of the bankruptcy of the old order. A rift even appeared within the coffee oligarchy, and the traditional alliance of São Paulo and Minas Gerais fell apart. This emboldened a new coalition, the Liberal Alliance, that linked urban groups, great landowners—like the ranchers of Rio Grande do Sul—who resented São Paulo’s dominant position, and disaffected politicians from Minas Gerais and

other states. It named Getúlio Vargas, a wealthy rancher and politician from Rio Grande do Sul, as its candidate.

The working class was not a participant in the Liberal Alliance, but many workers sympathized with its program and openly pressured Vargas to improve working conditions, establish a minimum wage and mandatory vacations, organize consumer cooperatives, and regulate labor relations. Women's groups, in search of freedom from the tyranny of market forces, also lobbied the anti-oligarchical movement. Berta Lutz and the FBPF announced their "Thirteen Principles," which advocated women's suffrage, civil equality, equal pay for equal work, paid maternity leave for working women, affirmative action in government employment, a minimum wage, the eight-hour day, paid vacations, and medical, disability, and retirement insurance. All these provisions eventually became part of the 1934 constitution.

During the 1930 campaign, Vargas, although careful not to give offense to his latifundist supporters, spoke of the need to develop industry, including heavy industry, advocated high tariffs to protect Brazilian industry using local raw materials, and called on Brazilians to "perfect our manufactures to the point where it will become unpatriotic to feed or clothe ourselves with imported goods." Reflecting the influence of the tenentes, he advanced a program of social welfare legislation and political, judicial, and educational reform. He even made a cautious pledge of "action with a view to the progressive extinction of the latifundio, without violence, and support for the organization of small landed property through the transfer of small parcels of land to agricultural laborers."

When the coffee oligarchs sought to deny Vargas the presidency, he overthrew the Washington Luís government. The successful revolt meant that the Old Republic, born in 1889 and dominated since 1894 by the coffee oligarchy, was dead. A new era had begun that may with fair accuracy be called the era of the bourgeois revolution. The political career of its chieftain, Getúlio Vargas, faithfully mirrored its advances, retreats, and ultimate defeat.

## Vargas and the Bourgeois Revolution, 1930–1954

The liberal revolution of 1930 represented a victory for the urban bourgeois groups who favored industrialization of Brazil's economic, political, and social structures. But the bourgeoisie had gained that victory with the aid of allies whose interests had to be taken into account. Getúlio Vargas presided over a heterogeneous coalition that included fazendeiros—who had joined the revolution from jealousy of the overweening Paulista power but feared radical social change—and intellectuals and tenentes who called for agrarian reform, the formation of cooperatives, and the nationalization of mines. Women's groups and others disadvantaged by oligarchical rule and market forces pressured Vargas to endorse their campaign for liberation. The Brazilian Black Front (FNB), established in 1931, organized massive protests against racial discrimination, advocated laws to require racial integration of all public places, educated Afro-Brazilians about Pan-Africanist political movements, and sought black representation in the national Congress. Of course, the working class, vital to the development of Brazilian capitalism, remained a potential threat to its very existence. Finally, Vargas had to take account of foreign capital interests, temporarily weakened but capable of applying great pressure on the Brazilian economy when the capitalist world emerged from the depths of the Great Depression. Vargas's strategy of attempting to balance and reconcile these conflicting interests helps to explain the contradictions and abrupt shifts of course that marked his career.

### VARGAS'S ECONOMIC AND POLITICAL MEASURES

The most pressing problem facing the new government was finding a way out of the economic crisis. Vargas did not abandon the coffee industry, the base of his political enemies, to its fate; he attempted to revive it by such classic valorization measures as the restriction of plantings, the purchase of surplus stocks, and the more drastic expedient of burning excess coffee. But the level of

coffee exports and prices remained low throughout the 1930s. The government had more success with efforts to diversify agriculture. Production of cotton, in particular, grew with the aid of capital and labor released by the depressed coffee industry, and cotton exports rose steadily until 1940, when the outbreak of war interrupted their advance. But diversification of agriculture could not compensate for the steep decline in Brazil's import capacity. The key to recovery was found in import-substitution industrialization.

The Great Depression did not create Brazilian industrialization, but it created the conditions for a new advance. Beginning as a spontaneous response to the loss of import capacity that resulted from the catastrophic decline of exports and a falling rate of exchange, industrialization received a fresh impetus from Vargas, who encouraged industry through exchange controls, import quotas, tax incentives, lowered duties on imported machinery and raw materials, and long-term loans at low interest rates. Thanks to the combination of favorable background conditions and the Vargas policy of state intervention, Brazilian industrialization, based entirely on production for the home market, made notable strides in a few years: industrial production doubled between 1931 and 1936. As early as 1933, when the United States was still deep in the Depression, Brazil's national income had begun to increase, which indicated that for the moment, at least, the economy no longer depended on external factors but on internal ones.

Meanwhile, Vargas sought to centralize political power by making strategic concessions to his coalition allies. He appeased the political elite of São Paulo with ministerial appointments. He also tried to conciliate São Paulo's workers, who, again sparked by the women weavers in the textile industry, openly rebelled against industrialists in May 1932, demanding an eight-hour day, 20 percent wage increases, night-work bonuses, equal pay for equal work, prohibition of forced overtime, and recognition of their local bargaining units called "factory commissions." Tens of thousands joined the general strike, and Vargas was forced to intervene, co-opting the workers' movement by agreeing to most of their demands but requiring



Employed in one of the many state-owned companies created by the populist president Getulio Vargas, skilled workers walked past a statue of Vargas that commemorated the first decade of nationalizing action in the Amazonian region of Madeira-Mamoré. [Getty]

that future disagreements over working conditions be negotiated peacefully by tripartite "conciliation commissions" composed of workers, employers, and government appointees.

In February 1932, Vargas had promulgated an electoral code that established the secret ballot, lowered the voting age from twenty-one to eighteen, and extended the vote to working women, but the code still denied the vote to illiterates. Although these electoral reforms still left 95 percent of Brazilians ineligible to vote, they expanded suffrage sufficiently to allow women to get elected in eighteen of twenty state legislatures. Moreover,

reflecting women's new political muscle, the state government of Rio de Janeiro appointed women to the cabinet portfolios of Labor and Education. The constituent assembly elected under this code also drafted a new constitution, which was promulgated on July 16, 1934. This document retained the federal system but considerably strengthened the powers of the executive. The assembly, constituting itself the first Chamber of Deputies, elected Vargas president for a term extending to January 1938.

The section of the constitution on "economic and social order" stressed the government's responsibility for economic development. Article 119 declared that "the law will regulate the progressive nationalization of mines, mineral deposits, and waterfalls or other sources of energy, as well as of the industries considered as basic or essential to the economic and military defense of the country."

The section on the rights and duties of labor revealed the importance Vargas attached to the imposition of a tutelage over the working class, a class to be courted through concessions but denied independence of action. The constitution of 1934 established a labor tribunal system, gave the government power to fix minimum wages, and guaranteed the right to strike. Subsequent decrees set the working day at eight hours in commerce and industry, fixed minimum wages throughout the country, and created an elaborate social security system that provided for pensions, paid vacations, safety and health standards, and employment security.

In exchange for these gains, the working class lost its freedom of action. The trade unions, formerly subject to harsh repression, but militant and jealous of their autonomy, became official agencies controlled by the Ministry of Labor. The workers had no voice in the drafting of labor legislation. Police and security agencies brutally repressed strikes not approved by the government.

The labor and social legislation, moreover, was unevenly enforced, and employers frequently evaded the law. The legislation did not apply to the great majority of agricultural workers, who comprised 85 percent of the labor force. Determined to maintain his alliance with the fazendeiros in his

coalition, Vargas left intact the system of patrimonial servitude that governed labor relations in the countryside, just as he left intact the latifundio. The promises of agrarian reform made during the campaign of 1930 were forgotten.

Vargas's shift in favor of the fazendeiros grew more pronounced in 1934 and alienated tenentes, intellectuals, radical workers, and the Communist Party, founded in 1922 by Luís Carlos Prestes. As honorary president of the *Aliança Nacional Libertadora* (National Liberation Alliance, or ANL), a popular front movement that attracted middle-class as well as working-class support, Prestes advocated the liquidation of the latifundio, nationalization of large foreign companies, and cancellation of imperialist debts.

Meanwhile, Vargas harassed the leftist opposition as "subversive." In 1935, after Prestes attacked Vargas's failure to implement the tenente ideals and called for the creation of a truly "revolutionary and anti-imperialist government," Vargas responded by banning the ANL and ordering the arrest of many leftist leaders.

#### VARGAS AS DICTATOR

The repression of the left paved the way for the establishment of Vargas's personal dictatorship. On November 10, he canceled the 1938 presidential elections, dissolved Congress as an "inadequate and costly apparatus," and assumed dictatorial power under a new constitution patterned on European fascist models. On December 2, all political parties were abolished.

The new regime, baptized the *Estado Novo* (New State), copied not only the constitutional forms of the fascist regimes but also their repressive tactics. Strict press censorship was established, and prisons filled with workers, teachers, military officers, and others suspected of subversion. The apparatus of repression included a special police force for hunting down and torturing dissidents. The *Estado Novo* also dealt women workers a decided setback in their struggle for freedom and equality by actively soliciting their return to the private patriarchal province of home and family. The tax code penalized single women and childless

families, while other laws provided special protections to mothers and children and actively discouraged women from working outside the home or joining trade unions. Yet there was little organized resistance to the regime. Labor, its most likely opponent, was neutralized by a paternalist social legislation and doped by populist rhetoric, and it remained passive or even supportive of Vargas.

In international affairs, Vargas sought economic rapprochement with Germany and Italy to open up new markets for Brazil and to strengthen his hand in bargaining with the United States. Despite its authoritarian, repressive aspects, the Estado Novo continued the struggle against neo-colonialism in its effort to achieve economic independence.

Indeed, under the new regime, the state intervened more actively than before to encourage the growth of industry and provide it with the necessary economic infrastructure. Rejecting *laissez faire*, the Estado Novo pursued a policy of planning and direct investment for the creation of important industrial complexes in the basic sectors of mining, oil, steel, electric power, and chemicals. In 1940 the government announced a Five-Year Plan whose goals included the expansion of heavy industry, the creation of new sources of hydroelectric power, and the expansion of the railway network. In 1942 the government established the *Companhia Vale do Rio Doce* to exploit the rich iron-ore deposits of Itabira; in 1944 it created a company for the production of materials needed by the chemical industry; and in 1946 the National Motor Company began the production of trucks. In the same year, Vargas saw the realization of one of his cherished dreams: the National Steel Company began production at the Volta Redonda plant between Rio de Janeiro and São Paulo. Aware of the need of modern industry for abundant sources of power, Vargas created the National Petroleum Company in 1938 to press the search for oil.

By 1941, Brazil had 44,100 plants employing 944,000 workers; the comparable figure for 1920 was 13,336 plants with about 300,000 workers. Aside from some export of textiles, the manufacturing industries served the domestic market almost exclusively. State and mixed public-private

companies dominated the heavy and infrastructural industries, and private Brazilian capital predominated in manufacturing, but the 1930s also saw a significant growth of direct foreign investment as foreign corporations sought to enlarge their share of the internal market and overcome tariff barriers and exchange problems by establishing branch plants in Brazil. By 1940 foreign capital represented 44 percent of the total investment in Brazilian stock companies. Vargas made no effort to check the influx of foreign capital, perhaps because he believed that the growth of Brazilian state and private capitalism would keep the foreign sector in a subordinate status.

The Estado Novo banned strikes and lockouts but retained and even expanded the body of protective social and labor legislation. In 1942 the labor laws were consolidated into a labor code, regarded as one of the most advanced in the world. But it was unevenly enforced and brought no benefits to the great mass of agricultural workers. Moreover, spiraling inflation created a growing gap between wages and prices; prices rose 86 percent between 1940 and 1944, whereas between 1929 and 1939, they had risen only 31 percent. In effect, inflation, by transferring income from wages to capitalists, provided much of the financing for the rapid economic growth of the 1940s.

World War II accelerated that growth through the new stimulus it gave to industrialization. Brazil exported vast quantities of foodstuffs and raw materials, but the industrialized countries, whose economies were geared to war, could not pay for their purchases with machinery or consumer goods. As a result, Brazil built up large foreign-exchange reserves, \$707 million in 1945. Most of the economic advance of the war years was due to expansion and more intensive exploitation of existing plants or the technical contributions of Brazilian engineers and scientists.

However, Vargas adroitly exploited Great Power rivalries to secure financial and technical assistance from the United States for the construction of the huge state-owned integrated iron and steel plant at Volta Redonda. U.S. companies and government agencies were notably cool to

requests for aid for establishing heavy industry in Latin America. But Vargas's hints that he might have to turn for help to Germany removed all obstacles. Volta Redonda was a great victory for the Vargas policies of economic nationalism and state intervention in economic life. In return for its assistance, Vargas allowed the United States to lease air bases in northern Brazil even before it entered the war against the Axis.

The paradox of Brazil's participation in an antifascist war under an authoritarian regime was not lost on Brazilians; the demands for an end to the Estado Novo grew stronger as the defeat of the Axis drew near. Although the dictatorship and war had limited the political agenda of women's rights groups, their organizational strength continued to grow under the auspices of the Women's Division of the League for National Defense, whose members staffed neighborhood committees to monitor food prices and demand social justice. This led to the creation of the Woman's Committee for Amnesty, which by war's end had built a broad coalition to restore civil liberties and secure political liberalization. During the war, the struggle for Afro-Brazilian rights also took refuge in cultural organizations like the Black Experimental Theater (TEN), which rooted "antiracist civil and human rights demands" in the cultivation of African consciousness among blacks.

Likewise, a simmering worker discontent, blunted by repression and wartime co-optation of union leadership, could express itself only in popular protest sambas, clandestine factory commissions, spreading absenteeism, and personal appeals to Vargas for justice. But in February 1945, this dissatisfaction boiled over in a riot involving hundreds of protestors. In the summer, women textile workers in São Paulo again led a strike movement that mobilized thousands, destabilized Brazilian industrial society, and threatened Vargas's regime. Ever sensitive to changes in the political climate and the balance of forces, Vargas announced an amnesty for political prisoners, promulgated a law allowing political parties to function openly, and set December 2 as the date for presidential and congressional elections.

### A MILITARY COUP

Vargas announced that he would not run for president, but he set the stage for a well-organized campaign by his supporters, called *queremistas* (from the Portuguese verb *querer*, meaning "to want"), who wanted Vargas to declare himself a candidate in the forthcoming election. Soon after issuing the decrees restoring political freedom, Vargas, proclaiming himself the "father of the poor," authorized the expropriation of any organization whose practices were harmful to the national interest.

The authorization decree, which was aimed at keeping down the cost of living, inspired alarm in conservative foreign and domestic circles. Senior military officers regarded Vargas's leftward move with growing uneasiness. The wartime alliance with the United States had accentuated their inherent conservatism and made them ready to accept the gospel of free enterprise and U.S. leadership in the cold war against the Soviet Union and world communism.

On October 29, 1945, Generals Goes Monteiro and Eurico Dutra staged a coup, forced Vargas to resign, promptly repealed Vargas's authorization decree, and suppressed the Communist Party. They refused to expand the vote to illiterates and organized elections that guaranteed the victory of President Eurico Dutra (1946–1951), under whom neocolonial interests regained much of the influence they had lost under Vargas. In his foreign and domestic policies, Dutra displayed a blind loyalty to the anticommunist creed propounded by Washington.

In the 1945 elections, the Communist Party (PCB) had polled over half a million votes, and two years later the Brazilian Women's Federation, the country's leading feminist organization, joined the Communist-sponsored Women's International Democratic Federation. Alarmed by the growing influence of the Communist Party, Dutra outlawed it, and Congress followed by expelling the party's elected representatives. Dutra exploited the resulting witch-hunt to smash the independent, left-led labor movement; the Workers' Federation, organized in 1946, was declared illegal; and the

government intervened in a large number of unions to eliminate “extremist elements.” The imposition of a wage freeze and the failure to raise the officially decreed minimum wage caused the real income of workers to drop sharply.

With respect to economic development, Dutra pursued a *laissez-faire* policy that meant the virtual abandonment of the Vargas strategy of a state-directed movement toward economic independence. Dutra removed all import and exchange controls and allowed the large foreign exchange reserves accumulated during the war—reserves that Vargas had proposed to use for reequipping Brazilian industry—to be dissipated on imported consumer goods, luxury goods in large part.

Attracted by the new economic climate, foreign capital flowed into Brazil. Meanwhile, seeking to curb inflation according to the prescription of U.S. advisers, the government pursued a restrictive credit policy harmful to Brazilian entrepreneurs and industrial growth.

Despite these setbacks, popular movements continued to organize and agitate for progressive reform. Afro-Brazilians, for example, created the National Black Convention and the Black Women’s National Congress to expose the hypocrisy of the government’s claim that Brazil was a “racial democracy.” After years of public pressure—culminating in 1950 with a well-publicized incident in which a São Paulo hotel refused to accommodate the famous African American choreographer Katherine Dunham but reserved a room for her white secretary—the Dutra regime finally adopted a relatively timid, but nonetheless significant, anti-discrimination law: the Afonso Arinos Act.

### VARGAS’S RETURN TO POWER

In 1950, having assured himself of the neutrality of the armed forces, Vargas drew upon *this* popular dissatisfaction and ran for president with the support of a broad coalition of workers, industrialists, and members of the urban middle class. His campaign concentrated on the need to accelerate industrialization and expand and strengthen social welfare legislation. Riding a wave of discontent

with the economic and social policies of the Dutra regime, Vargas easily defeated his two opponents.

Vargas inherited a difficult economic situation. After a brief boom in coffee exports and prices in 1949–1951, the balance of trade again turned unfavorable and the inflation rate increased. In the absence of other major sources of financing for his developmental program, Vargas had to rely largely on a massive increase in the money supply, with all its inevitable social consequences. Meanwhile, his national program of state-directed industrialization, using state corporations as its major instrument, encountered increasing hostility from neocolonial interests at home and abroad. In the United States, the Eisenhower administration decided that the Vargas government had not created the proper climate for private investment and terminated the Joint United States–Brazilian Economic Commission. Within Brazil, Vargas’s program faced sabotage at the hands of the rural forces that continued to dominate the majority of state governments and Congress. This hardening of attitudes greatly reduced Vargas’s options and his capacity for maneuvering between different social groups.

Nonetheless, Vargas pursued his populist program. He created a mixed public-private petroleum corporation, called *Petrobrás*, which would give the state a monopoly on the drilling of oil and new refineries. *Petrobrás* illustrated Vargas’s belief that the state must own the commanding heights of the economy and represented an attempt to reduce the balance-of-payments deficit by substituting domestic sources of oil for imported oil. Vargas sought to appease domestic and foreign opponents by leaving the distribution of oil in private hands and allowing existing refineries to remain privately owned. Vargas also proposed to create a similar agency for electric power, to be called *Electrobras*.

Vargas’s labor policy became another political battleground. Under Vargas, labor regained much of the freedom of action it had lost during the Dutra years. In December 1951, under pressure from militant workers, the government decreed a new minimum wage that compensated for the most recent price rises. In 1953 three hundred

thousand workers went on strike for higher wages and other benefits. In June of that year, Vargas appointed a young protégé, João Goulart, minister of labor. Goulart, a populist in the Vargas tradition, was sympathetic with labor's demands. In January 1954, Goulart recommended a doubling of the minimum wage.

The battle lines between Vargas and his foes were being drawn ever more sharply. In speeches to Congress, Vargas criticized foreign investors for aggravating Brazil's balance-of-payments problem by their massive remittances of profits and claimed that invoicing frauds had cost Brazil at least \$250 million over an eighteen-month period. Meanwhile, conservative attacks on him grew even more bitter. On August 24, the military ordered him to resign or be deposed. Isolated and betrayed, the seventy-two-year-old Vargas found the way out of his dilemma by suicide. But he left a message that was also his political testament. It ended with the words:

I fought against the looting of Brazil. I fought against the looting of the people. I have fought bare-breasted. Hatred, infamy, and calumny did not beat down my spirit. I gave you my life. Now I offer my death. Nothing remains. Serenely I take the first step on the road to eternity and I leave life to enter history.

As in life, so also in death, Vargas remained a controversial figure. But a woman textile worker, Odette Pasquini, offered perhaps the most astute epitaph for Vargas and his populist programs. "Vargas," she opined, "oh, he was the 'father of the poor,' as they used to say on the radio, but of course he was truly the mother of the rich!"

## Reform and Reaction, 1954–1964

The death of Vargas foreshadowed the demise of the nationalist, populist model of independent capitalist development over which he had presided for the better part of a quarter-century. That model, based on a strategy of maneuver and compromise, of reconciling the clashing interests of the national

bourgeoisie, fazendeiros, foreign capitalists, and the working class, of avoiding such structural changes as agrarian reform, had about exhausted its possibilities.

Two options remained. One was for Vargas's political heirs to mobilize the working class and the peasantry for the realization of a program of structural changes, including agrarian reform, that could impart a new dynamic to Brazilian national capitalism. The alternative was for Vargas's political enemies to impose a streamlined neocolonial model based on the denationalization and modernization of Brazilian industry, on its transformation into an extension of the industrial park of the great capitalist powers, accompanied by a shift in emphasis from the export of raw materials to the export of manufactured goods. Because such a course entailed immense sacrifices for the Brazilian people, it also required the imposition of a dictatorship of the most repressive kind. The balance of forces in 1954 already favored the second option. For a decade, however, Brazil would sway uncertainly between the two alternatives.

### THE KUBITSCHKEK ERA

The presidential election of 1955 took place under the watchful gaze of the military. Juscelino Kubitschek, governor of Minas Gerais, with João Goulart as his running mate, stressed the defense of democracy and the acceleration of economic growth. Kubitschek was not an economic nationalist in the Vargas mold, but the nationalist and reformist groups, knowing the limits of military tolerance, gave him their support. As the campaign progressed, there grew a clamor on the right for a coup to prevent the victory of Kubitschek and Goulart. However, they won the election in October, with the popular Goulart polling more votes than the president-elect.

Kubitschek took office in January 1956 with a promise of "fifty years of progress in five." But this progress was to be achieved with the aid of massive foreign investments, to which Kubitschek offered most generous incentives. Foreign capital flowed into Brazil; the total inflow between 1955 and

1961 amounted to \$2.3 billion. The bulk came from the United States, whose investments in Brazil reached \$1.5 billion in 1960.

This influx of capital, which benefited from advantages denied to Brazilian enterprises, promoted a rapid foreign conquest of Brazilian national industry. In the process, the native entrepreneurs were frequently transformed into directors or partners of the foreign-controlled firms. The takeover concentrated on the most modern and fastest-growing industries: chemical, metallurgy, electrical, communications, and automotive. In 1960 foreign investment accounted for 70 percent of the capital invested in the 34 largest companies and more than 30 percent in the 650 corporations with capital of a million dollars or more.

The Kubitschek era was a heady time of unprecedented economic growth that averaged 7 percent per year between 1957 and 1961. By 1960, Brazil had been transformed from an agrarian country into an agrarian-industrial country with a base of heavy industry, for it could boast that it produced half its heavy-industry needs. Construction of a series of great dams provided much of the power needed by Brazil's growing industry. Kubitschek's decision to build a new capital, Brasilia, in the frontier state of Goiás reflected his exuberant optimism about Brazil's future. Completed in three years, the new capital was inaugurated on April 21, 1960. A network of "highways of national unity" was constructed to link Brasilia with the rest of the country but failed to solve the many difficulties—housing and resettlement problems, cultural isolation, and the like—that faced its inhabitants.

These triumphs of development had to be paid for, and their cost was high. A major source of financing was foreign loans, which swelled Brazil's already large foreign debt from \$1.6 billion in 1954 to \$2.7 billion in 1961. Service of the foreign debt took an ever-increasing share of the national budget, rising from \$180 million to \$515 million (more than half the value of Brazil's exports) in the same period. This source of financing had its limits; by 1959 the International Monetary Fund (IMF) threatened to withhold loans if Brazil did not adopt a stabilization program and live within its means. Kubitschek responded by breaking off negotiations

with the IMF and increasing the money supply. The result was an unprecedented inflation rate and a catastrophic decline in the value of the cruzeiro. This in turn greatly diminished the value of Brazil's exports. Inflation, like foreign loans, appeared to have reached its limits as a source of financing Brazilian development.

This economic growth, the resulting expansion of Brazil's middle class, and the ideology of modernity that accompanied both also affected Brazilian culture. *Bossa nova* (literally, the new beat), which emerged from fashionable cabarets in middle- and upper-class communities, sought to rescue Brazilian national music from the wild, seemingly uncontrollable, undulating rhythms of the samba, traditionally associated with mixed-race popular classes. Instead, it redefined Brazil's cultural identity in a way that emphasized modernity, personal freedom, and the pursuit of individual pleasure. Like the country's modernization during the 1950s, bossa nova relied heavily on imports from the United States—in this case, syncopated jazz rhythms that artists like Antonio Carlos (Tom) Jobim, João Gilberto, and Nara Leão fused with a samba drumbeat. Lyrically, bossa nova music like the internationally renowned "Girl from Ipanema," written by Brazilian beat poet extraordinaire Vinicius de Moraes, celebrated the bohemian lifestyles of young, middle-class men who were more interested in the beach, beautiful girls, and drinking whiskey than the daily struggles of Brazil's popular classes, which samba songs traditionally memorialized.

### THE QUADROS REGIME

The election of 1960 took place amid growing social unrest and intense debate over domestic and foreign policy. Women actively participated in this national dialogue, demanding civil equality and organizing a massive protest demonstration to commemorate the tenth anniversary of the Brazilian Women's Federation, which Kubitschek had outlawed in 1956. Workers also agitated for an end to inflation, corruption, and foreign control of the economy. Brazilian popular culture reflected and reinforced this social turmoil. According to

cultural historian Eduardo Carrasco Pirard, bossa nova songs, which earlier had eschewed controversial subjects like exploitation, inequality, and oppression, now increasingly discussed “social themes which presented a rather idealized and paternalistic vision of the black favela-dweller and the worker from the fringe areas of the big cities.” Songs like “The Farmworker’s Funeral,” by Chico Buarque de Holanda, sarcastically lamented the misfortunes of a peasant who finally won in death that which in vain he had sought in life: a plot of latifundio land (“large enough for a grave, not too big, not too deep!”).

The campaign oratory and programs of all the principal candidates reflected the ascendancy that the nationalist, populist ideology had gained over public opinion. Even conservatives supported the presidential candidacy of the flamboyant Jânio da Silva Quadros, former governor of São Paulo, whose populist campaign denounced “foreign exploiters” and promised to “sweep out of the government the corrupt elements, the thieves and exploiters of the people.”

Without breaking with the traditional dependence on the capitalist countries for markets and loans, Quadros sought to reduce that dependence by developing new trade and diplomatic relations with the socialist countries and the Third World. Accordingly, he initiated negotiations for the resumption of diplomatic relations with the Soviet Union, sent a trade mission to the People’s Republic of China, and denounced the CIA-backed Bay of Pigs invasion of Cuba in April 1961. Although he stressed the need for foreign investments and guaranteed their security, Quadros opposed foreign investment in Brazilian oil and proposed to modify the “laws and regulations which place the Brazilian company in an inferior position.” He also restricted the remittance of profits abroad.

However moderate, Quadros’s policies aroused the hostility of military and civilian conservatives. Quadros’s problems were compounded by an increasingly recalcitrant Congress dominated by fazendeiros. Determined to break the legislative deadlock by some dramatic act, Quadros submitted his resignation on August 25, 1961, after only seven months of rule. His resignation message

claimed that hostile foreign forces had obstructed his program of Brazil for the Brazilians. Convinced that the military would not permit the pro-labor vice president Goulart to succeed him, Quadros evidently believed that public clamor for his return would bring him back to office with the powers he needed to govern.

But he had miscalculated. Led by war minister Odílio Denys, military officers took control of the government and declared that, for reasons of “national security,” Goulart, whom they distrusted as a dangerous radical, should not return from his trade mission to China. Naturally, this ignited a national popular uprising that caused a split within the military; in Goulart’s home state of Rio Grande do Sul, the commander of the Third Army announced his support for Goulart, and the governor of the state rallied the population to defend the constitution and ensure Goulart’s elevation to the presidency. The threat of civil war loomed, but the military ministers, facing divisions within the armed forces and feeling the pressure of public opinion, agreed to a compromise. Goulart took office, but a constitutional amendment restrained the power of democracy and required the president to share power with a parliamentary council drawn from the anti-Goulart legislature.

### GOULART’S PRESIDENCY

Taking office in September 1961, Goulart steered a cautious course designed to allay conservative suspicions at home and abroad. In April 1962, he paid a visit to Washington. Addressing a joint session of Congress, he promised reasonable treatment of foreign-owned utilities in Brazil. The United States provided \$131 million in aid for Brazil’s depressed northeast, but the IMF, whose approval was a condition for the cooperation of private bankers, remained skeptical of Goulart’s intentions.

The first year and a half of Goulart’s rule under the parliamentary system saw few major legislative achievements. One was the passage of a Brazilian civil code that, under pressure from women’s rights groups, prohibited gender discrimination in employment and gave married women legal control over their earnings and shared ownership of

commonly acquired property. Another law established Electrobras, the national agency proposed by Vargas for the control of the production and distribution of electric power. Still another required foreign capital to be registered with the Brazilian government and barred profit remittances abroad in excess of 10 percent of invested capital, certainly not a radical measure. Yet it produced a sharp drop in foreign investments, from \$91 million in 1961 to \$18 million in 1962. Lacking other sources for financing development, Goulart had to resort to the Kubitschek formula of a massive increase of the money supply. The new inflationary spiral brought the collapse of the cruzeiro and a wave of strikes and food riots, as well as a growing radicalization of labor and sections of the peasantry. But the economic slowdown, apparent since 1961, continued. Import substitution as a stimulus to industrialization appeared to have reached its limits, and further advance was blocked by the small domestic market, the inequities of Brazilian income distribution, and the drain of capital through debt repayment and profit remittances (amounting to \$564 million, or 45 percent of the value of Brazil's exports, in 1962).

With the advice of the brilliant young economist Celso Furtado, who had directed an ambitious effort to develop Brazil's backward, poverty-ridden northeast, Goulart drafted a program of structural reforms that aimed to expand Brazil's democracy and impart a new dynamism to its faltering economy. Reform of the archaic land tenure system would expand the domestic market and increase agricultural production. Tax reform would reduce the inequities of income distribution and provide funds needed for public education and other social welfare purposes. The grant of votes to illiterates would, it was hoped, drastically reduce the power of the rural oligarchy in the national and state legislatures.

To implement these changes, however, the legislative deadlock in Congress had to be broken, so in mid-1962, Goulart launched a campaign for a plebiscite to let the people choose between presidential and parliamentary government. Under great public pressure, Congress agreed to the plebiscite, and on January 1, 1963, more than 12 million voters decided by a three to one majority

to restore to Goulart his full presidential powers under the constitution of 1946.

But Goulart's victory only deepened a growing polarization of opinion in the country, with the bourgeoisie and the middle class joining the landed oligarchy in opposition to Goulart's domestic program. Goulart's moderate reform proposals in reality favored the industrial bourgeoisie and should have enjoyed its support. But the dynamic industrialist class that had arisen and thrived under Getúlio Vargas was now much weaker. The progressive foreign conquest of Brazilian industry had greatly reduced that class's influence as more and more national entrepreneurs gave up an unequal struggle and solved their personal problems by becoming directors or associates of foreign-owned firms. This dependent bourgeoisie shared its foreign and rural allies' fears of social change. But even the more militant nationalists within the ranks of the progressive industrial bourgeoisie—industrialists long affiliated with organizations like the Industrial Social Service (SESI) and the National Service for Industrial Training (SENAI), which had collaborated with *getulista* populism—feared a growing radicalism of Brazil's peasant and urban industrial working class. As historian Barbara Weinstein argues, by the late 1950s and early 1960s, workers had become a more significant political force: they had expanded their autonomy from state controls, they increasingly relied on strikes and uncompromising demands for wage hikes to secure their interests, and they tended to elect leftist union leaders less inclined to collaborate with industrialists or the state.

The industrialists' apprehension increased as a result of the spread of radicalism to the countryside. Under the leadership of the lawyer Francisco Julião, peasants in the bleak northeast, afflicted by drought, famine, and oppressive land tenure and labor systems, joined Peasant Leagues and invaded fazendas. Their activities endangered the latifundio, which was also threatened by Goulart's proposal to give the vote to illiterates and enact agrarian reform.

By the end of 1963, the forces on the right—the fazendeiros, the big bourgeoisie, the military, and their foreign allies—had begun to mobilize against

the threat from the left. Industrialists had long cultivated support among army officers, inviting generals like Humberto Castelo Branco, the future dictator, to speak at their Forum Roberto Simonsen, a regular meeting sponsored by the São Paulo Federation of Industrialists. But in early 1962 they began plotting in earnest and by March of 1964, according to Weinstein, the industrialists “had collected more than 1.5 billion cruzeiros equal to more than a million dollars, to aid the armed forces in the seizure of power.”

Meanwhile, under strong pressure from impatient radicals, Goulart moved to the left. Appearing at a mass rally in Rio de Janeiro in March 1964, he signed two decrees. One nationalized all private oil refineries. The other made liable to expropriation all large and “underutilized” estates close to federal highways or railways and lands of over seventy acres near federal dams, irrigation works, or drainage projects. At the same meeting, Goulart announced that he would shortly issue a decree on rent control. He asked Congress to pass reforms that included tax reform, the vote for illiterates and enlisted men, an amendment to the constitution providing for land expropriation without immediate compensation, and legalization of the Communist Party.

By the middle of March, the military-civilian conspiracy for Goulart’s overthrow was well advanced. The governors of some important states met to plan the installation of a “legalist government” in São Paulo to compete with Goulart’s regime for official recognition. An emissary returned from the United States with assurances from the State Department that it would immediately recognize the new government. Then, if it became necessary, the legalist government would solicit aid from the United States, and the dispatch of U.S. troops would not constitute intervention but a response to a legitimate government’s request for aid to suppress communism and subversion.

On March 31 army units in Minas Gerais and São Paulo began to march on Rio de Janeiro. The U.S. ambassador to Brazil, Lincoln Gordon, was

well informed of the conspiracy; five days before the coup he cabled Secretary of State Dean Rusk, naming General Humberto de Alencar Castelo Branco as the probable head of the new military junta. Published documents also show that the United States prepared to give military aid, if needed, to the rebels. But Operation Uncle Sam (its code name) proved unnecessary; the Goulart regime fell almost without a struggle on April 1, and the president fled into exile in Uruguay.

As the new military regime consolidated its power, the generals sought to install an alternative to the nationalist economic model that had succeeded in promoting Brazil’s initial industrialization. Their neocolonial vision, based on thorough integration of a dependent Brazilian economy into the international capitalist economy, pursued rapid growth of Brazilian industry and agriculture without regard to its social consequences. Because of the regime’s combination of brutally repressive policies with primary economic and political dependence on the United States, the Brazilian scholar Hélio Jaguaribe aptly called it “colonial fascism.” Ironically, the Brazilian experiment quickly became a model favored by Argentine generals in their 1976 effort to topple Latin America’s other major populist regime originally inaugurated in 1947 by the distinguished career military officer, Juan Domingo Perón, and his charismatic wife, Evita.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Argentina: Populism, the Military, and the Struggle for Democracy

## FOCUS QUESTIONS

- How did Argentina's agricultural export economy affect its political and social development?
- How did the tango's history represent Argentina's ideological identification with European culture in contrast to notions of "racial democracy" in Brazil and *indigenismo* in Mexico?
- How did the military, urban trade unions, and global economy affect the evolution of Argentine populism?
- Who were Juan and Evita Perón, what was their program, and how did it affect Argentine national development?
- How did market expansion affect women and their role in the nation's political economic life?

**A**S IN BRAZIL, POPULISM became the defining characteristic of twentieth-century Argentina, but unlike its neighbor, the Argentine military played a much more influential role in shaping its evolution. Peronism, a form of populism identified with Colonel Juan Domingo Perón, dominated the political, economic, and cultural landscape of Argentina for two decades. By contrast to the mythologies of Brazil's "racial democracy" and Mexico's "*indigenismo*," however, Argentina's leaders aimed to repress its multiracial, multiethnic past and sought to invent an Argentine national identity that self-consciously celebrated working-class culture and its European origins. Nonetheless, Argentina's experience with export agriculture shared much in common with the other Latin American nations.

After thirty years of explosive economic growth and sustained political stability, Argentina seemed

ready to take a place among the developed nations by the first decade of the twentieth century. Argentines proudly claimed to be the world's greatest exporter of grain and a leading exporter of meat; they boasted of a railroad network unsurpassed outside western Europe and the United States and of a capital, Buenos Aires, that ranked among the world's most beautiful and cultured cities. Argentines were seemingly prosperous, relatively well educated, and increasingly urban. The burgeoning population (nearly 8 million in 1910) and transportation system promised to create an internal market that would stimulate the rise of native manufacturing and elevate Argentina to the position of one of the world's modern industrialized countries.

The full flowering of democracy, too, seemed close at hand. The landed oligarchy, known as *estancieros*, historically had monopolized Argentine politics by relying on military force and restricting

the vote to propertied males, most of whom traditionally resided on rural estates. By the early twentieth century, however, Argentina had become a much more urban society, and a propertied middle class consisting of shopkeepers, artisans, manufacturers, and government bureaucrats emerged. New political organizations like the Radical Party soon developed and began to compete effectively for this new constituency. Moreover, with the gradual professionalization of the army, the social composition of the officer corps also changed. Middle-class men, mostly the sons of immigrants, replaced the old officer groups, and the oligarchy gradually lost its predominance. These developments and a series of unsuccessful Radical coups apparently convinced the *estancieros* that the time had come for electoral reform. Consequently, in the hope of attracting a significant share of newly enfranchised voters, they embraced the Saenz Peña Law, which provided for universal male suffrage and a secret ballot.

The appearance of prosperity and emerging democracy, however, proved illusory. Stagnation, interspersed with periods of depression and runaway inflation, marked the Argentine economy during succeeding decades. Military coups, disorder, and brutal repression afflicted the nation's politics. At the base of these problems lay Argentina's structural dependence on foreign markets and capital, a dependence that placed the country's economy at the mercy of foreign events and decisions made abroad. Although the populist policies implemented by Juan Perón and his successors aimed to promote a genuine national development, their failure to break the country's structural dependence helped perpetuate a deformed social and political system.

## The Export Economy

Argentina's dynamic economic growth during the last quarter of the nineteenth century and the early twentieth century was due to three factors: the appearance of a large market in Europe for its products: wool, mutton, beef, and wheat; the inflow of millions of immigrants, who provided cheap labor for the expanding agricultural sector; and the in-

flux of large quantities of foreign investment capital, which went to construct railroads, put more land under cultivation, and establish food (mainly meat) processing plants. The nation's prosperity depended on its ability to export huge amounts of agricultural commodities, to import the manufactured goods it required, and to attract a steady stream of large-scale foreign investment.

Consequently, Argentina was critically vulnerable to fluctuations in international market and finance conditions. Any reduction in overseas trade reverberated disastrously throughout the economy. Because Argentines usually imported more than they exported—a tendency made worse by the fact that the market price for raw materials remained steady or declined while the prices of manufactured goods rose—the country suffered from chronic trade deficits that habitually depleted the national economy of circulating coin and restricted local market development. To attract new sources of wealth, successive Argentine governments had opened Argentina to foreign capital.

Foreign investment reached enormous proportions in the first decades of the twentieth century. During the years 1900 to 1929, foreigners came to control between 30 and 40 percent of the nation's fixed investments. Argentina absorbed nearly 10 percent of all foreign investment carried out by capital-exporting nations, one-third of all the foreign investment in Latin America, and more than 40 percent of the total foreign investment of Great Britain, the world's leading capitalist power. Investment was concentrated in railroads and government bonds, the proceeds from which subsidized the construction of railroads and public works.

Although foreign investment unquestionably helped fuel economic growth, it simultaneously created immense economic difficulties. Huge interest payments on foreign debts and the profit remittances of foreign-owned companies, often representing between 30 and 50 percent of the value of Argentina's exports, produced serious balance-of-payments problems. Because government bodies owed much of the foreign debt, a substantial portion of government revenue went to

service payments. Rigid interest rates and repayment schedules meant that the burden remained the same, even when state revenues declined because of adverse economic conditions, and that revenues earmarked for debt service could not be diverted to other areas.

Every sector of the Argentine economy depended on exports. Agriculture and livestock raising employed 35 percent of the work force. The nation's greatest agricultural area, the pampas, exported 70 percent of its production. Argentine industry centered on food processing, mainly meat packing. As late as 1935 food-stuff processing accounted for 47 percent of all industrial production, and textiles for another 20 percent. The transportation industry—railroads and coastal shipping—handled mostly export commodities.

Rich and poor alike relied on the export economy for their livelihood. The ruling elite was composed of large landowners, who produced almost entirely for the export trade. Their income and their political power rested squarely on the export economy. In addition to large numbers of farm laborers, many urban and industrial workers depended on exports for their jobs. The major trade and industrial unions in Argentina arose in those industries—coastal shipping, railroads, dock work, and packinghouses—whose workers owed their well-being to overseas trade. Because the government relied on revenues derived from import taxes, significant numbers of white-collar workers and professionals employed by the government also were intimately tied to the export economy.

Foreign control and influence permeated the economy. Most of the large merchant houses, which carried on the all-important export-import trade, were either owned by or closely affiliated with foreign houses. The major shipping lines (both intercoastal and interoceanic), the railroads, and the *frigoríficos* (meat-packing plants) were owned and operated by British or U.S. companies.

The export economy brought indisputable benefits to Argentina, but those benefits were unequally distributed. There were, for example, sharp differences in economic development among regions. Whereas the pampas and Buenos Aires

boomed, most of the interior provinces stagnated. Mendoza and Tucumán with their wine and sugar made some headway, but all the other central and northwestern provinces—Jujuy, La Rioja, Santiago del Estero, and Salta—experienced social and economic decline.

The inequalities of property and income between the various classes were equally glaring. The rich were very rich and growing richer; the poor grew poorer. In the countryside, the estancieros, masters of thousands of acres of rich land, built palaces, while the majority of foreign-born immigrant sharecroppers eked out a miserable living. In Buenos Aires, wealthy landowners, merchants, and lawyers gathered at the sumptuous Jockey Club, while laborers struggled to make ends meet as inflation eroded their already insufficient paychecks.

The expansion of market forces also dissolved traditional barriers between private and public spheres, forcing women into low-paid, menial positions in urban factories and sweatshops without releasing them from their unpaid responsibilities in the home. According to a late-nineteenth-century Buenos Aires census, women composed 39 percent of the paid work force, and a 1904 report by Dr. Juan Bialet Masse confirmed that, in an industrial environment generally characterized by intolerable working conditions and low wages, Argentine women “suffered the most intense discrimination and exploitation.” Apparently male employers preferred women workers because they were cheaper, more reliable, more efficient, and more docile than men. A 1913 report for the National Labor Department revealed that, on average, children employed in industry received half the wages of women, whose income, in turn, was half that of men.

Argentina's greatest treasure was its land, but only a few Argentines owned sizable portions of it. In 1914 farm units larger than 2,500 acres accounted for only 8.2 percent of the total number of farms but held 80 percent of the nation's farm area. Over 40 percent of farms were worked by tenants, most on terms that were less than favorable. In 1937 a mere 1 percent of the active rural population controlled over 70 percent of Argentina's farmland, much of which they left idle. Yet the

land was fertile and suitable for intensive agriculture. Thousands of immigrants came to Argentina in search of land only to discover that virtually all had long since been monopolized by the estanciero oligarchy.

Income distribution followed the same pattern. Less than 5 percent of the active population garnered 70 percent of the gross income derived from agriculture. Not only did workers and rural laborers receive little benefit from the export system, but the operation of the system's finances and taxation eroded what little return they did receive for their labor. Faced with chronic deficits in the balance of payments and unwilling or unable to tax the land or income of the landed elite, the government had no alternative but to resort to the printing press to finance its costs. The result was inflation. Exporters also demanded a fluctuating currency-exchange rate, which had an adverse effect on wage earners. Finally, the tax structure burdened the mass of consumers with high sales taxes that discouraged internal market expansion.

## Argentine Society

Argentine society divided roughly into three classes—upper, middle, and lower. The upper class acquired its wealth and prestige through its virtual monopoly of landownership. These large landholders used the late-nineteenth-century export boom to solidify and enhance their power. Cattle fatteners, who supplied beef for both the domestic and foreign markets, constituted the most powerful faction within this elite. This inner circle was composed of approximately four hundred families who were closely allied through social clubs and business associations. Geographically, most of the wealth was located in the cattle and cereal regions of the pampas near Buenos Aires. From 1880 to 1912, this landed oligarchy also controlled national politics. It used its control over the government to promote meat and grain exports, guarantee easy credit for members, and provide more favorable taxation and currency policies. The other great institutions of Argentine society, the military and the church, also reflected the views of the elite.

Late-nineteenth-century economic growth stimulated urbanization, which transformed the nation's class structure. An urban middle class arose. This middle class, heavily concentrated in the bureaucracy and professions, depended on the export economy and attached itself to the Radical Party.

The lower class divided into two groups: urban marginals and workers. Urban marginals were a racially and ethnically diverse group, composed largely of immigrant foreigners, including Eastern European Jews, against whom regular employers routinely discriminated. Not surprisingly, according to historian Donna Guy, women constituted a large share of this underclass, a considerable number of whom became involved in prostitution, which the Argentine government had legalized in 1875. For elites, legalized prostitution—which required prostitutes to undergo regular medical examinations and restricted their activities to particular urban zones—aimed to stabilize the patriarchal family by providing a safe, secure outlet for the release of men's sexual frustrations; it also enabled elites to collect revenues from, and establish control over, a population considered "dangerous." But for the prostitutes and pimps, these licensed bordellos became a means of survival and, ironically, gave birth to a cultural form—the tango—that eventually defined Argentina's national identity.

The tango, first as dance and later as song, had emerged in the early nineteenth century among the nation's lower classes, especially its black population, which composed 25 percent of Buenos Aires. According to historian John Charles Chasteen, enslaved Africans originally performed the dance to celebrate their individual black kings and distinguish their African national identities. Later, it evolved into *candombe*, a dance style typical of the Argentine black community, and by the middle of the nineteenth century, Argentine elites adopted it to mock Afro-Argentine culture. By the early twentieth century, however, the tango or *milonga* had become, according to the *Dictionary of Argentine Expressions*, "a dance found only among people of the lower orders." It was featured routinely in the brothels, nightclubs, and *academios* (dance halls) of Buenos Aires, where poor women mixed with men



**Modern South America**

of all social classes. Its songs typically addressed themes about life in the tenements (*conventillos*), criminals, slum dwellers, and the relentless intrusion of poverty on the dreams of young girls.

By contrast, most members of the working class labored in small factories, where Argentina's industrial expansion was concentrated until 1914. (The primary exception to the predominance of small industries was the frigorífico.) A considerable number of workers were employed by the shipping industry, railroads, and urban tramways in the Port of Buenos Aires, where organizations like *La Fraternidad*, the railroad workers' union, and the Maritime Workers' Federation were especially strong. Numerous strikes occurred after the turn of the century and throughout the first Radical regime (1916–1922). The labor movement, however, was weakened by diverse viewpoints on political activity and by internecine rivalries among Socialists, anarchists, and syndicalists.

## The Radical Era, 1916–1930

### THE RISE OF THE RADICAL PARTY

Naturally, increasing social inequality produced growing unrest among the urban middle class, university students, women, workers, ethnic minorities, and small groups of junior military officers. The Radicals drew upon this discontent in their efforts to overthrow the oligarchy by force in 1905. Despite their failure, the Radicals attracted growing popular support in the decade that followed.

Radical Party strength rested on twin pillars: its local urban organization, which acted to meet the needs of the middle class, and its leader, Hipólito Yrigoyen, who played a dual role as the titular head of the Radical Party. First, he was the great mediator who managed to reconcile the often conflicting interests of the middle class and large landowners who made up his political coalition. Second, although inarticulate and a recluse, Yrigoyen managed to project an austere democratic image that made him the party's charismatic leader. This clever deal maker and manipulator symbolized for

the middle class the Radical dedication to democracy. Despite a checkered past that included shady business deals, he furnished the party with much of its moral appeal.

The Radical propaganda effectively presented an image of a national party, transcending the narrow regional and class interests that had previously governed Argentine politics. The Radical program was purposely vague. It straddled the line between its two major constituencies: the middle class and the landed elite. The Radicals therefore never challenged the basic premises of the export economy and its dependence on foreign capital. The party advocated neither land reform nor industrialization.

During the Radical era, Argentine women, who historically had been treated like children or, worse, the legal property of men (*patria potestad*), continued to organize and agitate for equality both within and outside the formal structure of political parties. Cecelia Grierson, Argentina's first female doctor, formed the National Women's Council to lobby for women's greater access to education and professional employment. These women's groups, like others in Latin America, typically sought to protect and conserve the primary power of women within the family. Although some viewed this as an implicitly "conservative" role, in the context of a traditional society battered by unfettered market forces, the communal maternal values of family life quickly translated into civic actions, which Francesca Miller calls "social motherhood."

This meant that, irrespective of class, ethnic, racial, or regional identity, women activists came to expect the state to intervene to monitor, regulate, protect, and harmonize the interests of all members of the Argentine national family, especially when outsiders threatened them. "The aristocratic women and the proletarian women are equally victims," thundered Carolina Muzzilli, a prominent feminist. "It is time that the Argentine woman recognizes that she is not inferior to men and, even if she has a different mission, her civil and natural rights must be restored."

In practice, however, class interests often distinguished the activities of various women's



Carolina Muzzilli and Alicia Moreau were militant Argentine feminists who agitated for civil and political equality, social justice, and international solidarity in the early twentieth century. [From the cover of *Nuestra Causa*, a feminist newspaper published in Argentina. Biblioteca Juan B. Justo, Buenos Aires. Photograph courtesy of Asunción Lavrín]

organizations. For example, feminist leaders like Alicia Moreau de Justo, founder of the Socialist Feminist Center in 1900, pressured her husband, Juan Bautista Justo, the nation's premier Socialist, and his male colleagues to sponsor Law 5291, which attempted to regulate working conditions for women and children, providing them special legal protections against the ravages of unfettered market forces.

By 1910 these and other women's organizations had coalesced to sponsor Argentina's first International Feminist Congress, which attracted women's groups throughout Latin America to its agenda for civil equality, better working conditions for women, equal pay for equal work, school reform, and revision of divorce laws to allow divorced mothers custody of themselves, their children, and their property. Not content merely with

equality of opportunity, delegates from the Socialist Women's Center argued that this would only reinforce the existing inequality of social condition between men and women; they consequently called on male leaders in government, business, and education to institute affirmative action in support of women's issues. They demanded special treatment that would consider women's historical responsibilities in both public and private realms; for example, they wanted a special commercial school for women and legal provisions that would give wage-earning women thirty-four days of paid leave before and after giving birth.

European ethnic immigrant groups also protested against the elite's discriminatory laws designed to "ghettoize," stigmatize, and limit the civil rights of the non-native-born, who also—not coincidentally—happened to be either pros-

perous small farmers, urban petty proprietors, or “organized proletarians.” Ironically, the late-nineteenth-century white supremacist oligarchy had encouraged their arrival in Argentina to “whiten” the nation’s population and provide relatively cheap labor on the great estates and in export-oriented urban industry. But continuous harassment greeted those immigrants who either resisted acculturation, demanded worker rights, or successfully competed against the creole *estancieros*. Swiss and German immigrant farmers, for example, organized a revolt in the province of Santa Fe to denounce the oligarchy’s discriminatory policies. Similarly, Jewish schools, especially in the province of Entre Ríos, had been the target of racist violence in 1910, which prompted Jewish organizations to protest. Finally, a coalition of immigrant groups including Italians, Germans, and Russian Jews, many of whom were sympathetic to socialist, anarchist, and trade unionist ideas, challenged the Social Defense Law of 1910, which authorized the expulsion of foreign “agitators” and defined some immigrant groups as “undesirable elements.”

#### **THE FIRST RADICAL GOVERNMENT: YRIGOYEN, 1916–1922**

With a finely tuned grassroots political organization, a well-known presidential candidate, and a vague program promoting “class harmony,” the Radicals won the 1916 presidential elections. But they were limited by their tenuous bond with the landowner elite. The elite controlled the military and the major agricultural lobbying groups and had close contacts with powerful foreign business interests. Yrigoyen continually walked an unsteady tightrope between the middle class, which wanted a piece of the governmental pie, and the oligarchy, which was still wary of the party that had rebelled three times in three decades and that had won an election campaigning against the selfish interests of that oligarchy. He could not push too hard too fast, or the oligarchy would surely overthrow him.

The Radical government’s program combined a conservative fiscal policy and moderate social

reforms designed to secure political stability, in return for which the oligarchy was to allow the middle class wider access to the governmental bureaucracy and the professions. There were inherent contradictions in this strategy. First, expansion of access to government employment meant that government expenditures necessarily had to increase. But this violated the tenet of fiscal conservatism, unless the economy continued to expand at a rapid rate. Second, Yrigoyen had to maintain the fragile alliance of landowners and members of the middle class within his own party. In sum, the key to the Radicals’ staying in power was Yrigoyen’s ability to distribute the fruits of Argentine economic growth to the middle class without antagonizing the oligarchy.

There was growing discontent on the part of the middle class, too, because the decline in government revenues from imports meant fewer government jobs for its members. Yrigoyen’s balancing act became even more difficult with the emergence of labor agitation for improved wages and working conditions. Wartime demand for Argentine exports had brought on inflation, and as a result, the purchasing power of wages seriously declined. Yrigoyen had to move cautiously in attempting to alleviate labor’s plight, for the oligarchy might look upon such moves as interference in their economic domain. The problem was complicated by the fact that much of the labor agitation was directed against foreign-owned companies with close ties to the elite. Facing bitter opposition from the ruling elite, Yrigoyen abandoned his modest efforts to incorporate labor into his coalition.

Consequently, from 1916 to 1919, political expediency and, in the last analysis, the degree of pressure exerted by the landed elite clearly determined Yrigoyen’s policy toward workers’ struggles. Major strikes occurred against foreign-owned companies engaged in export-related enterprises. Because Argentine governments often sent in the police and armed forces to break strikes, the attitude of the Yrigoyen regime was decisive. The Maritime Workers’ Federation struck twice, in 1916 and 1917, for higher wages. The first strike was timed to coincide with harvest shipments. In both

instances, the union gained access to Yrigoyen, the government kept out of the dispute, and the union won. But in late 1917, the government abandoned the unions when a general strike jeopardized export interests. With the strike threatening the entire harvest, the British government and the elite brought joint pressure on Yrigoyen to intervene, and troops were used. The strike collapsed. The frigorífico strike of 1917–1918 met the same fate when the government sent in marines to subdue the strikers.

The climactic episode, known in Argentine history as the *Semana Trágica* (Tragic Week), came in January 1919. Its name refers to the heavy loss of life that followed when Yrigoyen, apparently fearing the army's intervention to topple his government, abandoned his original conciliatory position and sent police and armed forces to break a general strike that had grown out of a strike in a metal factory. This violence was accompanied by a wave of brutal pogroms against Russian Jewish immigrants by members of the elite and the middle class, organized in an Argentine Patriotic League. Instead of denouncing the anti-“communist” witch-hunt, the Radical government added its voice to the hysterical cry that the strike was a revolutionary conspiracy and even encouraged party members to join the vigilante bands. Thereafter, Yrigoyen concentrated on catering to his middle-class constituency through the use of patronage and on strengthening his popular electoral base.

The Radicals also faced growing opposition among women, who, according to the 1914 national census, composed 22 percent of the total work force. These women activists continued to press the government for greater access to the professions and government jobs, equal pay, the right to vote and hold office, and a variety of regulations designed to protect women from the brutality of unfettered market forces. In 1919, Elvira Rawson de Dellepiane, a veteran feminist leader, organized the Women's Rights Association (ADF) to rally women, regardless of political affiliation, around this progressive platform. Within a relatively short time, the ADF claimed some eleven thousand members and worked closely with other feminist

organizations like the Women's Union and Labor Group to pressure the Yrigoyen administration. The last three years of Yrigoyen's term were a struggle merely to survive.

The Argentine university reform of 1918, which had continental reverberations, reflected Yrigoyen's desire to cater to his middle-class constituency. The series of events leading to this famous reform began with a student strike at the University of Córdoba; the students demanded, among other changes, simplification of the entrance requirements and secularization of the curriculum. When the strike deteriorated into violence, Yrigoyen intervened and acceded to the student demands. But he went further, establishing a series of new universities that increased middle-class access to the professions and the government jobs for which so many middle-class aspirants hungered. This especially benefited Argentine women.

The Radicals also sought to strengthen their electoral position by expanding the patronage system and removing provincial governors on the pretext that they had violated the federal constitution.

By 1921 the boom unleashed by World War I had ended, and depression followed. The union movement disintegrated. Layoffs eroded union membership, and internal bickering rendered the unions ineffective. The Radicals actually experienced some success in recruiting workers during the Depression because their local committees provided charitable services.

#### **THE SECOND RADICAL GOVERNMENT: ALVEAR, 1922–1928**

Despite adverse economic conditions, Marcelo de Alvear, Yrigoyen's hand-picked successor, became president. Immediately, however, the party began to come apart. Although couched in personal terms—Alvear against Yrigoyen—the division more accurately reflected the growing split between the middle-class and elite sectors of the party.

Alvear cut the payroll to trim expenses and hiked tariff rates to increase revenue. The tariff increase was also aimed at reducing imports and alleviating the balance-of-payments problem,

thereby satisfying the middle class. A balanced budget, however, appealed to estancieros but directly contradicted middle-class demands for even more government employment opportunities. In 1924 the Radicals split into two factions, with the Anti-Personalist wing under Alvear's leadership.

Meanwhile, although largely excluded from these debates, subordinate social sectors nonetheless sought to organize popular movements to take advantage of the political discord within the Radical Party and between propertied elites and the middle class. Although workers, women's rights organizations, and ethnic minorities were themselves often internally divided, the devastating impact of external market forces on their daily lives helped to mobilize a common agenda that occasionally managed to intrude on the national political discourse. In 1924, for example, a coalition of trade unions and women's groups, including the Socialist Feminist Center and the Women's Rights Association, successfully secured the passage of Law 11.317, which established an eight-hour workday for women, limited a woman's workweek to forty-eight hours, and prohibited night work.

The law also required large, typically foreign-owned, companies to obey special rules for pregnant workers, including a stipulation that factories with least fifty women employees should provide facilities for nursing mothers. Two years later, women's groups pressured Argentina's patriarchal political parties to pass another law, this time empowering adult married women to sign contractual agreements and pursue personal, educational, and career goals without their husbands' permission. Naturally, none of this legislation protected women employed in agriculture or domestic service, nor did it address the gender wage gap. But these victories, no matter how seemingly modest, laid the foundation for future state intervention on behalf of women and other historically oppressed people disadvantaged by an unregulated market.

The decade also pioneered the expansion of radio, a new technology that assisted the Radicals in their efforts to fashion a unified national culture. Although "decent" women historically had been precluded from participation in Argentina's

rich cultural nightlife, the radio brought the tango from the dance halls and brothels into middle-class homes, where women thrilled to its raunchy disrespect for an established social order that confined them to their kitchens and bedrooms. Moreover, the tango had been widely acclaimed in Paris, which lent it still greater credibility as a national cultural expression acceptable to Francophile elites and the middle-class folk who simultaneously envied and mimicked their lifestyle. From this moment onward, the tango became the new symbol of Argentine modernity and national identity.

### YRIGOYEN'S SECOND TERM, 1928–1930

Yrigoyen made a smashing comeback in 1928, winning his second presidential term with an overwhelming 57 percent of the vote. But in October 1929, the Great Depression hit Argentina. The Radicals, whose strength had been increasing, suffered a mortal blow. Exports dropped 40 percent, foreign investment stopped, and unemployment was widespread. Government efforts to spark a recovery served only to induce inflation. The decline in imports severely undermined the government's fiscal position, since it relied on import duties for most of its revenue.

The government incurred a huge deficit, which it tried to cover by borrowing. As a result, it found itself in the position of competing for increasingly scarce credit resources with the landed elite, which desperately needed money to ride out the decline in the export market. Yrigoyen's policy threatened the interests of the landed elite, and he became expendable. Further, his meddling with the military had seriously undercut his standing with that powerful institution. Finally, the Depression destroyed his personal popularity among the middle class, his main base.

Yrigoyen became the scapegoat. His enemies pictured him as senile and corrupt, incapable of ruling the nation in a time of crisis. The Depression ruined the party apparatus, for there was no patronage to dispense. The political situation continued to disintegrate, and violence increased. Yrigoyen was overthrown by the military on September 6, 1930.

## The “Infamous Decade,” 1930–1943: Military Intervention and the State

The coup marked the end of Argentina’s short experiment with democracy and the entry of the military into the nation’s politics; it ushered in a period of harsh repression and corruption, which came to be known as the “Infamous Decade.” Lieutenant General José F. Uriburu, who had led the group of conspirators that overthrew Yrigoyen, became the head of a coalition of widely diverse elements, including traditional conservatives, right-wing nationalist-fascists, and such center and left parties as the Progressive Democrats, Independent Socialists, and Socialists. These strange bedfellows had agreed on the elimination of Yrigoyen, but little else. Consequently, the loosely built alliance soon fell apart.

Following the coup, Uriburu conducted a campaign of brutal repression against opponents of his provisional government. He especially targeted prostitutes, whose defiance of established law had spread venereal disease and undermined the patriarchal family. Their scandalous behavior threatened public authority and led the military to abolish prostitution in 1934. Fearful that the abrupt abolition of the sex industry would create a new wave of unemployed in the midst of a global depression, however, the military government passed the Law of Social Prophylaxis, which offered former prostitutes state-sponsored medical care and employment opportunities in the public and private sector. The military also strictly controlled radio, decreeing the Dry Law, which censored electronic broadcasts that featured tango music, soap operas, and other lewd activities that corrupted public morality.

With its political and social opposition dispersed and defenseless, the military sought to reorganize Argentina’s civilian political institutions and created a new coalition, the *Concordancia*, which united landed aristocrats, dissident Radicals, the Catholic Church, and the military. With the help of fraud, the intimidation tactics of goon

squads and gangsters, and the general apathy of an embittered and cynical electorate, the *Concordancia* won control of the national government.

The Great Depression, the first modern crisis of the international capitalist system, powerfully proclaimed the fragility of the nation’s economically dependent, externally oriented national development policies and ushered in a new era of internal sociopolitical struggle that dramatically transformed Argentine society. The global economic collapse bankrupted Argentina’s largest companies and inundated the nation with a tidal wave of unemployment, which, not surprisingly, disproportionately afflicted women, who lost jobs at a much higher rate than men.

It also precipitated a pronounced demographic shift in the social origins of the national labor force. Before 1930, urban industrial and rural agricultural employers alike had relied on more than 6 million European immigrants, half of whom had arrived after 1880; in the ensuing decades, expansion of Argentine industry and agriculture would have to depend on internal migration from rural to urban areas.

Naturally, women constituted an increasingly important segment of this population; during the Depression and World War II, twice as many women as men migrated to Buenos Aires and other cities. This reflected both the destructive impact of market forces on rural life and the patriarchal nature of Argentine families. Unable to make a living in rural areas, men who lost their jobs or small agricultural plots often abandoned their families as well. Under these circumstances, single female heads of households could not sustain their families’ subsistence in the low-paying jobs traditionally available to women in agriculture, where wages were one-fourth those of urban industry. Not surprisingly, women’s nationwide employment increased 27.4 percent from 1935 to 1939. In the textile, tobacco, and clothing industries, women composed a majority of the labor force by the end of the decade.

Although the military’s intrusion into Argentine politics during the 1930s effectively reduced opportunities for democratic popular participation,

trade union leaders still organized and agitated in defense of male workers' rights and for state regulation of the market. Here, they were joined by women's groups, which, reflecting their increased visibility in the public sector, also demanded an activist national government that would recognize their political rights and protect their socio-economic interests. That is why the Argentine Association for Women's Suffrage, founded by Carmela Horne de Burmeister in 1932 and claiming a membership of eighty thousand, campaigned vigorously both for women's right to vote and for state-subsidized subsistence, maternity leave and health care benefits, and child care for working mothers. Argentina's *Concordancia* faced one inescapable conclusion: an enduring social stability could not be imposed militarily; it would require an expanding economic pie, which the unfettered international market forces of a dependent capitalism could no longer guarantee.

Abandoning the liberal, free-trade, *laissez-faire* economic doctrines on which the prewar export economy was based, the *Concordancia's* economic policy established state intervention as a decisive factor in the economy. Its basic aim was to protect the nation from the cyclical effects of the world capitalist economy. To accomplish this, they sought to protect their main foreign market, Great Britain; limit production of farm commodities; and restrict imports through indirect methods, such as the establishment of a currency-exchange system that discriminated against non-British imports. They also sought to establish new import-substitution industries primarily through foreign investment.

In this period, discovering they could not export manufactured goods to Argentina on a competitive basis because of high tariffs and the discriminatory exchange system, U.S. manufacturers established plants in Argentina. As a result, foreign capital played an increasingly important role in the economy during the 1930s, accounting for 50 percent of the total capital invested in Argentine industry. Foreign companies virtually monopolized the meat-packing, electric power, cement, automobile, rubber, petroleum, pharmaceutical, and several other industries.

The British market for beef and grain was critical for the Argentine export economy. During the late 1920s and early 1930s, the British government was under constant pressure to reduce Argentine imports, to protect producers within the empire. The result of Argentine efforts to secure the British market was the controversial Roca-Runciman Treaty of 1933. By this treaty, Britain guaranteed Argentina a fixed, though somewhat reduced, share of the chilled beef market. It also promised to eliminate tariffs on cereals. Argentina, in return, lowered or eliminated tariffs on British manufactures. It also agreed to spend its earnings from the British market on British goods to be imported into Argentina.

The economy improved after 1934, and by 1936 the crisis had passed. Cereal prices rose gradually on the world market until 1937, when they again dropped. Meat prices rose until 1936 and then remained steady. Industrial investment reached pre-Depression levels. Although real wages declined, unemployment fell sharply as a result of public works and industrial investment. In general, Argentines were relatively well off during the 1930s. Consumption of consumer goods and food rose considerably.

The process of industrialization was accompanied by a growth of native industrialists and a parallel increase in the size of the working class and its organizations, which heightened political tensions within Argentine society. For its part, the Argentine industrial bourgeoisie was profoundly dissatisfied with the economic policies of the landed oligarchy and, although still relatively small and unorganized, the working class was rapidly gaining in self-consciousness and developing new political aspirations that challenged both industrialists and the *estancieros*. In 1930 the General Confederation of Labor (CGT) arose from the merger of two large unions, and by 1943, trade union membership totaled between three hundred and three hundred fifty thousand. With the *Concordancia* government apparently helpless in the face of a brewing social revolution, the Group of United Officers (GOU), a secret military officers' lodge, organized a coup d'état and overthrew the *Concordancia* regime in 1943.

Thereafter, they established a ruling military junta headed successively by Generals Arturo Rawson, Pedro P. Ramírez, and Edelmiro Farrell.

## The Perón Era, 1943–1955

### PERÓN'S RISE TO POWER

The 1943 military coup had deep and tangled roots. The fraud and corruption that tainted both oligarchic and Radical politics in the “Infamous Decade” no doubt offended military sensibilities. During the 1930s, the officer corps of the Argentine armed forces, predominantly middle class in its social origins, had developed an ardent nationalism that saw the solution for Argentina’s problems in industrialization and all-around technical modernization. The interest of the military in industrialization also was closely linked to its desire to create a powerful war machine capable of creating a Greater Argentina that could exercise hegemony in a new South American bloc. To industrialize, it was necessary to end Argentina’s neocolonial status, to free it from dependence on foreign markets. Many officers developed a pro-German attitude, partly influenced by the German military instruction that they had received. Some also admired the supposed successes of the Nazi New Order but sympathized with Germany even more because they believed that its Great Power rivals, England and the United States, had conspired to keep Argentina a rural economic colony. Their pro-German attitude did not translate into a desire to enter the war on Germany’s side; instead, they sought to keep Argentina neutral in the great conflict.

World War II had a lasting impact on the ideology and practical political-economic needs of Argentina’s military leaders. First, absorbed with waging global war, the United States, Great Britain, France, Germany, and Japan could not intervene effectively in Argentina’s internal affairs. Second, with the war’s disruption of international commercial trade and the conversion of the great powers’ industrial production to military needs, an externally dependent Argentina lacked the essential inputs—capital equipment, technology, replacement

parts, and private sector investment—necessary to sustain economic expansion and social stability. In the absence of any organized and effective foreign opposition, and pressed by domestic popular movements for a social justice based on economic growth, these military leaders had no alternative except to expand the state-centered, import-substitution industrialization policies inaugurated during the 1930s.

Consequently, the military proposed a massive government investment in industrialization and technical modernization, even though it feared the social changes and forces that such transformations might unleash. In particular, it feared the revolutionary potential of the working class. In effect, the military proposed to build Argentine industrial capitalism with a thoroughly cowed, docile working class.

As a result, one of the first acts of the military regime was to launch an offensive against organized labor. The government took over the unions, suppressed newspapers, and jailed opposition leaders. It also sought to silence women’s public voice and force them to return to their gendered lives as mothers, wives, and daughters—to be the familial anchor of a revitalized Catholic morality within their private households. Here, gender discrimination aimed to undermine class solidarity by blaming male workers’ economic difficulties on women’s highly visible presence in the workplace. This policy of direct confrontation and collision with labor and women had disastrous results and threatened to wreck the industrialization program. The military was saved from itself by an astute young colonel, Juan Domingo Perón, who took over the Department of Labor in October 1943, promptly raised it to the status of the Ministry of Labor and Welfare, and opened a new bureau, the Women’s Division of Labor and Assistance. As he noted in his inaugural speech, Perón wanted officially to recognize that “more than 900,000 Argentine women are part of the paid work force.”

Born in 1895, the son of immigrant and creole parents of somewhat marginal economic status (his father was a farmer), Perón entered the military college at sixteen and very slowly rose in rank to captain in 1930. During the next decade, he

spent several years in Europe, where the German and Italian dictatorships much impressed him. In 1941, Perón joined the Group of United Officers; although only a junior colonel, he quickly rose to its leadership ranks.

His genius lay in his recognition of the potential of women, ethnic minorities, and the working class and the need to broaden the social base of the nationalist movement. He became the patron of the urban proletariat and, under considerable pressure from a well-organized and vocal women's rights movement, immediately courted its support by endorsing woman suffrage. Within a year, such legislation was submitted to the Congress and approved in 1947. Perón secured the enactment of protective legislation designed to increase women's access to education and improve their wages and working conditions. Not surprisingly, from 1941 to 1950, the number of women admitted to universities more than doubled.

As Minister of Labor in 1944, Perón established a minimum wage for piecework produced in the home, largely by women; naturally, this raised the issue of a broader minimum wage, and workers in the food industry, mostly women, received this protection the following year. By 1949 women constituted 45 percent of the industrial workers in Buenos Aires. In this year, again pressed by women's groups and apparently recognizing the potential divisiveness of a gendered wage gap between men and women workers, Perón supported legislation to require equal pay for equal work in Argentina's flourishing textile industry. As a result, by 1959 the differential wage between men and women ranged between 7 and 15 percent, which historian Nancy Caro Hollander characterizes as "one of the lowest in the non-Socialist world."

Perón also cultivated a political constituency among Argentina's male work force. He encouraged workers to organize and favored them in bargaining negotiations, in which his department participated. As a result, workers' wages not only rose in absolute terms, but their share of the national income also grew. This, of course, increased mass purchasing power and thereby promoted the process of industrialization. Perón also created a state system of pensions and health benefits, with

the result that employers' contributions for pensions, insurance, and other benefits rose steadily until the year of Perón's fall (1955). In return for these real gains, however, the unions lost their independence and became part of a state-controlled apparatus in Perón's hands.

Naturally, Perón's progressive social policies created considerable opposition both within certain factions of the military and among the landed oligarchy. In October 1945 these groups staged a coup that led to Perón's imprisonment. But the organizers of the coup were divided and unclear about their objectives, and Perón's followers mobilized rapidly. Loyal labor leaders organized the Buenos Aires working class for massive street demonstrations to protest Perón's jailing. The workers virtually took over the city, encountering no opposition from the armed forces. The bewildered conspirators released Perón from prison. Thereupon, he resigned from his various government posts, retired from the army, and began his campaign for the presidency in the 1946 elections.

In preparation for those elections, Perón, taking due account of the defeat of fascism in Europe, cast himself in the role of a democrat. He created a Labor Party to mobilize the working class, the principal component in a class alliance whose other major elements were the national industrial bourgeoisie and the army. Perón's chief opponent was a heterogeneous coalition of landed elites, middle-class Radicals, Socialists, and Communists. Perón, who was greatly assisted by the blundering foreign policy of the United States, won easily.

Once in office, Perón confronted what his movement identified as a new cultural threat. Since the Great Depression and the advent of movie theaters had bankrupted many small cabarets frequented by middle- and working-class men, Argentina's national obsession with the tango had been displaced by *fútbol* (soccer). Whereas the tango had celebrated unbridled heterosexual passion, soccer had emerged as an all-male sport in its appeal to participants and spectators alike. According to historian Donna Guy, the Peronistas increasingly feared what appeared to be an increase in homosexual relationships and their open representation in national artistic and cultural expression. They

therefore determined to use state power to revive the tango and legal prostitution in the hope that this would stimulate more interest in heterosexuality. According to historian Donald Castro, Perón understood the tango's popular appeal and fostered its reemergence for his own political ends. During his administration, the state-owned movie company produced *La historia del tango* and three films that celebrated the life of Argentina's most famous tango artist, Carlos Gardel.

### POSTWAR ECONOMICS

After the war, the United States bestrode the emerging new world order like a colossus, but its extraordinary economic output found ample demand in wartorn Europe, Asia, and Africa, where domestic policies focused on internal socioeconomic reconstruction. Consequently, Argentine industrialists and landed oligarchies alike faced relatively little postwar competition as they sought to develop internal markets and expand agricultural raw materials exports. International prices remained high, profits were secure, and domestic tariff protection meant that local companies could afford to pay higher wages and benefits to workers without jeopardizing their control over production.

This postwar boom enabled Perón to keep his coalition together. The export sector produced large surpluses in the balance of payments, making available funds for industrialization, mainly in labor-intensive manufactures. Perón also nationalized railroads and public utilities and created powerful state-owned companies that dominated local shipping, steel, and banking industries. Between 1945 and 1948, industrial workers' real wages rose 20 percent. Personal consumption also rose. Because there was only a slight decline in the share of the national income that went to profits, the redistribution of income to the working class did not come at the expense of any other segment of the alliance. Industrialists kept profits up and benefited from increased domestic consumption, which provided a growing market for their products. The only sector of the economy that was slighted was agriculture.

Perón managed to win over a considerable sector of the dependent middle class through his use of government patronage, just as Yrigoyen had done before. He kept the military happy by his commitment to industrialization, which was an important aspect of the military's desire for national self-sufficiency, and by providing it with generous salaries and the latest equipment for modern warfare.

One of Perón's greatest allies was his beautiful and stylish wife, Eva Duarte de Perón, whom the Argentines affectionately called "Evita" (little Eva). Evita relished her role as Juan's liaison to the working class. "The people can be sure," she triumphantly announced to admiring throngs at Perón's presidential inaugural, "that between them and their government, there could never be a separation, because in this case, in order to divorce himself from his people, the President would have to first divorce his wife!" Shortly after the enfranchisement of women in 1947, Evita joined with other feminists to create the Peronist Feminist Party, an organization to mobilize women in support of the Peronist political platform. She also formed the Eva Perón Foundation, a charitable institution that distributed large sums of money to neighborhood groups; financed various women's centers to link impoverished women to vital social, medical, and legal services; and built a large patronage army for Peronism.

Although her role as a feminist in Argentina's history is controversial, one thing is indisputable: Eva Perón's activism showed women and her working-class supporters, the adoring *descamisados* (shirtless ones), that they should not rely on the beneficence of any politician to defend their rights. "Just as only workers could wage their own struggle for liberation," she insisted, "so too could only women be the salvation of women." In the 1951 presidential election, this was a lesson that was not lost on women or the working class. Ninety percent of registered women, eligible to vote for the first time, went to the polls, and some 65 percent cast their votes for Perón, but they also elected seven women senators and twenty-four women deputies, the largest female delegation of government representatives in the Americas. Evita's vision of a



Juan and Evita Perón, 1952. [Bettmann/Corbis]

government and people linked by her marriage to Perón seemed prophetic, but a year later, death, not divorce, intervened; Evita's tragic demise in 1952 at the age of thirty-two dramatically weakened the populist caudillo's attachment to Argentine workers and women.

Perhaps more significant, the global economy had begun to shift, as did Perón's policies. Except for a short-lived recovery during the Korean war, Argentina entered a period of severe recession, which included several drought-induced bad harvests. The late 1940s brought the first signs that Argentina would face serious long-term economic difficulties. Its export commodities began to confront increased competition from the United States and

from revitalized Western European agriculture. Later, the advent of the Common Market worsened Argentina's position. Balance-of-payments deficits replaced the large surpluses that had financed the nation's import-substitution industrialization. Industrial production fell, as did per capita income. Real wages dropped 20 percent from the 1949 level in 1952–1953. It was in this decline that Perón's political failure was rooted.

#### PERÓN'S DOWNFALL

After his reelection in 1952 and in response to the economic crisis of the early 1950s, Perón formulated a new plan (the Second Five-Year Plan,

1953–1957) that to a great extent reversed his previous strategy. He tried to expand agricultural production by paying higher prices to farmers for their produce and by buying capital equipment for this sector (tractors and reapers). He sought to increase the agricultural production available for export by means of a wage freeze that he hoped would restrict domestic consumption. Although real wages declined, workers did not suffer proportionately more than other groups. But the industrial bourgeoisie was unhappy, for labor productivity declined while the regime's prolabor policies propped up wages. The industrialists, supported by a considerable portion of the army, wanted economic deregulation to lower wages. But the major problem of the industrial sector was lack of capital, since the agricultural sector no longer generated a large surplus.

To solve the capital shortage, Perón abandoned his previously ultranationalistic stand and actively solicited foreign investment. In 1953 the government reached an agreement with a North American company, the Standard Oil Company of California, for exploration, drilling, refining, and distribution rights in Argentina. Perón hoped thereby to reduce the adverse effect of oil purchases abroad on the balance of payments. Foreign capital, however, used the most modern technology and machines, which required fewer workers and tended to create unemployment in the affected industrial sectors.

To maintain government expenditures and a bloated bureaucracy in the face of declining revenues, Perón printed more money. The amount in circulation increased from 6 to 45 billion pesos during his two terms. By 1954 he had had some success in stabilizing the economy; he achieved a balance-of-payments surplus, and capital accumulation showed an upward curve. But his new economic strategy had alienated key elements of his coalition of workers, industrialists, and the armed forces. Perón then sought to divert attention from economic issues—with disastrous results.

Perón adopted two new strategies. First, he attempted to enhance his moral and ideological appeal. Second, he began to employ greater coercion to suppress a growing opposition. The vehicle

for his ideological and moral appeal was *justicialismo*, Perón's ideal of justice for all—a third route to development that was neither communist nor capitalist.

Perón's strategy included attacking the church. Starting in 1951 the regime grew more repressive. The government suppressed and took over Argentina's most famous newspaper, *La Prensa* (1951). Further, Perón used his National Liberating Alliance, a private army of thugs, and the thirty-five-thousand-man federal police force to intimidate the political opposition. Torture, imprisonment, censorship, purges, and exile became the order of the day. After 1954 even the General Confederation of Labor became a coercive force, whose prime function seemed to be to suppress opposition within the labor movement.

Perón's reluctance to go along with the industrialists' desire to push down wages and increase productivity alienated that group; the industrial bourgeoisie then joined forces with the agrarian interests, which had long and bitterly opposed Perón. This desertion ended Perón's once highly successful coalition. Inevitably, Perón's hold on the working class loosened as the wage freeze and inflation reduced the value of their wages.

Despite economic adversity, Perón's presidency could have survived if the military had not abandoned him. For the better part of a decade, he had masterfully balanced, divided, and bribed the military. Most of the senior officers owed him both their rank and their prosperity. The army was heavily involved in industrial production, and this provided an excellent means to become rich. In addition, to win its allegiance, Perón had showered the military with expensive military hardware and excellent wages. However, his relations with the armed forces began to disintegrate when he altered his economic policy to lessen emphasis on industrialization and self-sufficiency. On this score, his concession to Standard Oil in 1953 was the last straw for the nationalist military.

Thus, in struggling to extricate the nation from an economic quagmire, Perón undermined the multiclass coalition that had brought him to power and sustained him there. When the final

successful revolt took place in 1955, enough of the working class was alienated to ensure the military's success. Perón briefly threatened to arm the descamisados but instead fled into exile.

Although there is considerable scholarly debate about Perón and his populist policies, the fact remains that he solved none of the country's major economic problems. The main roadblocks remained. Transportation continued to be inadequate and obsolete, and a scarcity of electric power stood in the way of industrial modernization. Argentina did not produce enough fuel to meet domestic needs, and this created an enormous drain on the balance of payments. The nation's industry remained limited for the most part to import-substitution light industry. Despite his anti-imperialist rhetoric, Perón did not nationalize such key foreign-owned industries as meat packing and sugar refining. Most serious of all, Perón did nothing to break the hold of the latifundio on the land. As a result, agriculture was marked by inefficient land use, which impeded long-range development.

## **Collapse of Populism: In the Shadow of Perón, 1955–1973**

### **ECONOMIC STAGNATION**

The gradual restoration of global economic competition among the leading capitalist countries led to chronic, sometimes violent, economic fluctuations during this period. At the base of these difficulties lay continuous balance-of-payments deficits, which were caused by the decline in agricultural prices. The nation could not earn enough from its exports to pay for the large expenditures necessary to fuel domestic industry. Periods of rapid economic growth were invariably followed by acute depressions, which wiped out all previous gains. Runaway inflation accompanied these cyclical conditions.

The governments of this period, whether military or civilian, tended to promote the inflow of foreign investment as a development strategy. Arturo Frondizi (1958–1962), for example, was elected

on a political platform of “Peronismo Without Perón”—that is, nationalism and state regulation of market forces. Nonetheless, he quickly bowed to pressure from the U.S. State Department and the International Monetary Fund (IMF), a multilateral institution created after World War II to manage the postwar global economy. These agencies promised low-interest loans to ease the economic pain produced by mounting trade deficits, but in return they insisted that Frondizi break his political promises to the Argentine people and slash social welfare spending, deregulate private sector business, and expand investment opportunities for foreign capital.

But this development strategy had severe drawbacks. Foreign companies tended to monopolize credit opportunities, certain key industries became concentrated in foreign hands, and profits earned by foreign subsidiaries and remitted to the home company added to the balance-of-payments deficits. Moreover, since the IMF's principal concern was inflation, its stabilization programs invariably increased the cost of credit, deepened economic recessions, and contributed to growing business failures. Finally, foreign investment was usually technologically intensive and therefore created unemployment. Consequently, during the post-Perón era of development spurred by foreign capital, Argentina experienced chronic problems with large numbers of underemployed and unemployed urban workers.

This economic insecurity was politically untenable for working men and women who recurrently joined with students, small businesspersons, and other disadvantaged groups in publicly protesting these intolerable policies that disproportionately benefited wealthy foreigners and Argentine elites. The resulting political disorder inevitably led to a cycle of political violence and periodic military coups d'état against Frondizi in 1962 and his civilian successor, Arturo Illia, in 1966.

### **THE MILITARY IN POLITICS**

In the past, military interventions had been brief, largely designed to destroy popular political

opposition, intimidate the lower classes, and reconstruct civil society so that civilian governments favorable to the ruling elites could be elected. However, General Juan Carlos Onganía, who replaced Illia, was determined to govern longer. Consequently, he suspended the constitution; dismissed all civilian government entities, including the Congress, the Supreme Court, and provincial governors; abolished all political parties; and purged the universities of moderates and leftists, reserving a special hatred for Jewish intellectuals.

As minister of the economy, Onganía sought foreign investment by removing all restrictions on profit remittances; he also stimulated the process of industrial denationalization by devaluing the peso by 40 percent. This meant that many local companies could no longer afford expensive capital imports and royalty payments to owners of foreign technology. These local companies disappeared, leaving their share of the market to foreign firms. In this way, Coca-Cola and Pepsi gained control of 75 percent of the soft-drink market. Between 1963 and 1971, foreign interests bought out fifty-three Argentine companies that represented almost every industrial sector, particularly the automotive, chemical, petrochemical, metallurgical, and tobacco industries. Meanwhile, wages were frozen, although prices continued their steady rise.

Growing outrage on the part of workers and students over the government's economic program, especially its policy of industrial denationalization and the wage freeze, erupted into violence in the interior in the spring of 1969. Major riots took place in Rosario, Corrientes, and Córdoba, the most industrialized city of Argentina. There, workers and students rose in the famous Cordobaza revolt, occupying major sectors of the city until they were ousted by troops. At the same time, there was an upsurge of urban guerrilla activity by groups like the Montoneros, who represented the left wing of the Peronist movement. Their tactics included raids on police stations, assassinations, and robberies.

Onganía's failure to cope with the mounting wave of guerrilla activity precipitated the 1970 military coup, which installed General Roberto

M. Levingston as president. An expert in military intelligence and counterinsurgency, Levingston decreed the death penalty for terrorist acts and kidnappings, but his repressive decrees failed to establish a permanent social peace that would restore investors' confidence and reverse Argentina's 1970–1971 economic decline.

### THE RETURN OF PERÓN

Displeased with a resurgence of labor unrest, the military ousted Levingston in March 1971. His replacement, General Alejandro Lanusse, carried out a dual policy that combined brutal repression of leftist guerrillas with a general liberalization of the political climate. In effect admitting the military's failure to renovate Argentine politics, Lanusse undertook negotiations that led to the restoration of political activity and the return of the Peronists to full electoral participation for the first time since 1955.

The military briefly held out hope that the moderate political parties would unite to stand against the Peronists, but the latter's superior organization and their leader's unchallenged popularity ensured their victory. At the heart of the Peronist program were formal agreements with labor (*Pacto Social*) and industry (*Acto Compromiso del Campo*) that pledged compliance with a wage and price freeze. This cooperation lasted for about a year, while the Argentine economy, buoyed by high world-market prices for beef and grain, boomed. These populist agreements disintegrated in mid-1974 with the onset of renewed inflation brought on by a huge increase in international oil prices.

Even before these economic arrangements ended, the Perónist movement had begun to disintegrate, divided between radical and moderate factions. By the time Perón died in July 1974, the level of violence had increased. In 1975 thugs representing both factions reportedly killed eleven hundred people. In the face of this escalating violence and economic chaos, the military stepped in again and installed General Jorge Rafael Videla as president.

Once again, as in Brazil, populism's failure to embrace revolutionary structural change left its

reform agenda at the mercy of uncontrollable international markets. Unable to afford to finance its state-centered development project with low-cost foreign loans or high export prices, the Perónists fought with each other and with their long-time political rivals. The seemingly endless cycles of violence thereafter created an opportunity for the military to intervene, only this time to create an enduring dictatorship that abandoned populism in favor of a new neoliberal faith. Cuba would not make the same mistakes as Mexico, Brazil, and Argentina.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Cuba: The Revolutionary Socialist Alternative to Populism

## FOCUS QUESTIONS

- How did U.S. intervention in Cuba affect the development of Cuban national identity?
- How did the struggle of Afro-Cubans and women for equality affect Cuban national development?
- What were the causes of the 1933 Cuban Revolution, and how did it lay the political foundation for Cuban populism?
- What were the primary structural changes produced by the 1959 Revolution, and how did they affect Cuba's national development?
- How did the Cuban Revolution resolve the dilemmas confronted by populist regimes in Mexico, Brazil, and Argentina, respectively, in the 1960s?

**L**IKE THE OTHER Latin American nations we have examined, Cuba suffered historically from dependency and the cyclical nature of world market demand for its products. Moreover, Cuba endured the additional burdens of almost total economic domination and repeated prolonged military occupation by the United States. But in 1959, Cuba—an island ninety miles from Key West and ruled by one of the region's most firmly entrenched dictatorships—became the scene of the most successful social revolution in Latin America during the twentieth century. Under the banner of Marxism and with the military, economic, and political support of the Soviet Union, until recently the revolutionary government made great progress toward the elimination of such problems as illiteracy, mass unemployment, and unequal distribution of income and wealth. But the collapse of the Soviet Union and Cuba's other trading partners in the socialist bloc,

combined with an intensified effort by the United States to bring about its downfall, produced the most serious crisis in socialist Cuba's history, a crisis it is still struggling to overcome.

## Independence and the Spanish-Cuban-American War

### JOSÉ MARTÍ AND THE REVOLUTIONARY MOVEMENT

By the early 1890s, a global economic crisis, compounded by high U.S. tariffs on Cuban sugar imports, reduced external demand for sugar, destroyed sugar planters' profits, swelled unemployment, and inflamed long-simmering class, racial, and gender animosities. Afro-Cubans, workers, women, colonos, creole elites, and U.S. investors in Cuba increasingly identified Spanish imperial authority as the principal source of this injus-



José Martí (*left*), a brilliant writer and thinker, became a towering figure in Latin American history when he joined with Antonio Maceo (*right*), the Bronze Titan, to lead the revolutionary movement for Cuban independence. [Bettmann/Corbis]

tice and therefore revived the movement for independence.

The spiritual, intellectual, and organizational leader of the revolutionary movement was José Martí (1853–1895). As a lad of sixteen, Martí had been sentenced to six years in prison for supporting the 1868 independence revolt. Exiled in 1871, he moved to New York, where he earned his living as a brilliant journalist and worked tirelessly to unite Cuban émigré revolutionary groups. In 1892 he founded *El Partido Revolucionario Cubano* (the Cuban Revolutionary Party), which proposed to obtain, “with the united effort of all men of good will, the absolute independence of the island of Cuba, and to foment and aid that of Puerto Rico.” He then recruited such military veterans of 1868 as Máximo Gómez and Antonio Maceo in preparation

for an invasion of the island. In April 1895, Martí himself landed on a Cuban beach with a group of insurgents; a little more than a month later, he was killed in a skirmish with a Spanish patrol.

Despite the loss of its charismatic leader, the revolution spread, and the National Liberation Army achieved major successes with the aid of time-proven guerrilla tactics. Afro-Cubans played particularly prominent roles in the armed struggle. In every rebellious province except Camaguey, Afro-Cubans constituted a majority of the soldiers, known as *mambises*, and they fought in integrated battalions, often under the command of black officers like Maceo, his brother José, and Agustín Cebreco. This prompted some Afro-Cubans to conclude that in the army, where “nobody cares about the color of a man,” the *Cuba*



### Modern Caribbean Nations

*Libre* movement was “putting the principles of democracy into practice.” This wartime experience reaffirmed Afro-Cubans’ long-standing commitment to equality and social justice.

Women also shaped the independence struggle in decisive ways. Some, like university graduate Adela Azcuy, distinguished themselves in battle, whereas peasant women, despite Spanish attempts to enclose them in concentration camps, continued to provide food and intelligence information to the liberation army. This “women’s war” shaped the consciousness of the revolutionary generation and led to a political demand for women’s suffrage, public employment, and educational opportunity.

At the beginning of 1896, a new Spanish commander, General Valeriano Weyler, instituted counterinsurgency measures of the type that

would later be employed against twentieth-century rebels in the Philippines, Algeria, and Vietnam. He set up population concentration centers and free-fire zones, which resulted in enormous hardships and losses to the peasantry. But his successes were transient and counterproductive, serving mostly to intensify popular hatred for Spanish rule, and whole provinces remained under the absolute control of the liberating army. The failure of Weyler’s military policies and growing pressure from the United States led Spain to promise autonomy to Cuba in late 1897.

### INVOLVEMENT BY THE UNITED STATES

As the rebellion spread over Cuba, it became an increasingly volatile issue in the United States.

Inevitably, property was destroyed or damaged in the fighting, and this brought complaints from powerful U.S. businessmen and financiers with interests in Cuba. These leaders, white supremacists themselves, also feared the possibility that Cuba's "race war," as Spanish propagandists depicted it, might transform the island into another Haiti and simultaneously inflame the African community in the United States. But the Cuban struggle for independence struck a sympathetic chord with some Americans, particularly among the working class. William Randolph Hearst and Joseph Pulitzer, then engaged in a newspaper circulation war in New York City, helped keep popular interest high by running lurid stories of Spanish brutality.

Meanwhile, within the McKinley administration as well as among enthusiastic expansionists like Theodore Roosevelt, there was a growing feeling that the Cuban situation was getting out of control, that the autonomy proposal sponsored by the United States was failing, and that if the United States did not intervene, an unmanageable Cuban revolutionary government might take over from the collapsing Spanish regime. In the midst of this ferment, the USS *Maine* blew up in Havana Harbor on February 15, 1898, with heavy loss of life. This incident helped spur McKinley to a more belligerent stance; he demanded that Spain terminate the concentration camp policy, offer an armistice to the rebels, and accept the United States as a final arbiter between the parties. There was no mention of Cuban independence. When Spain delayed its response to U.S. demands, McKinley sent a message to Congress asking it to authorize military intervention by the United States in Cuba. Congress, after considerable debate, adopted a joint resolution to that effect.

But Cubans did not rejoice: almost every major revolutionary figure—Martí, Maceo, Gómez—opposed U.S. entry into the war, fearing it would result in direct or indirect U.S. political and economic control of Cuba. "The Cuban war," Martí wrote in 1895, "has broken out in America in time to prevent . . . the annexation of Cuba to the United States." All they sought from the United States was recognition of Cuban belligerency and the right to purchase arms in the United States. McKin-

ley, of course, had worked feverishly to defeat the Turpie-Foraker bill, recognizing Cuban belligerency, and had unsuccessfully opposed the 1898 Teller Amendment, which prohibited U.S. annexation of Cuba.

The ensuing war was short and nasty. U.S. commanders ignored their Cuban counterparts, excluding Cuban generals from decision making and relegating Cuban soldiers to sentry and cleanup duties. Incompetence was the key feature of both Spanish and U.S. war efforts. U.S. military actions were ill prepared and badly led. Thus, in a bizarre little war, the United States Army—wretchedly led, scandalously provisioned, and ravaged by tropical disease—swiftly defeated a demoralized, dispirited Spanish army and snatched the fruits of victory from the mambises, who had fought gallantly in a struggle of three years' duration. The exclusion of Cuban leaders from both war councils and peace negotiations foreshadowed the course of U.S.-Cuban relations for the next sixty years.

### THE FIRST U.S. OCCUPATION, 1899–1902

The United States Army occupied Cuba from January 1899 to May 1902. The occupation had three basic goals. First, the United States sought to make Cuba into a self-governing colony, an arrangement designed to secure liberal economic policies and political stability without the administrative burdens of an outright colonial occupation. To this end, the U.S. military sought to pacify the island without serious conflict with the Cuban army, which was still intact and in control of much of rural Cuba. The revolutionary army, however, did not resist the U.S. takeover, as did Emilio Aguinaldo and his insurgent forces in the Philippines at the same time. Cuban passivity in part reflected the fact that the years of struggle had taken their toll; the leading Cuban generals, such as Calixto García and Máximo Gómez, were tired old men, and many of the younger men who could have led a resistance movement had died in battle.

In addition, U.S. authorities bought off the army by offering to purchase its arms, an offer that hungry, unemployed soldiers found difficult to refuse. They also offered key rebel leaders well-paid

positions and ably manipulated the volatile issue of race to divide and conquer Cuba Libre. At the same time, the occupation government established a Rural Guard, largely devoid of Afro-Cubans, most of whom could not meet eligibility requirements, which included literacy, a recommendation from propertied elites, and sufficient wealth to purchase a uniform, equipment, and horse. The Guard's primary purpose was to eradicate banditry and protect foreign property—in the words of General Leonard Wood, to put down the “agitators who began to grow restive at the presence of the Americans.”

After political stability, necessary to attract U.S. capital, the second major goal was to repair the destruction wrought by the war and provide the services needed to sustain the U.S. occupation and promote economic recovery. General Leonard Wood, appointed governor general in 1899, launched a program of public works and sanitation that led to a major achievement of the occupation—the conquest of yellow fever. Taking its lead from a Cuban doctor, Carlos Finlay, whose theory correctly attributed the transmission of the dread disease to the mosquito, the American Sanitary Commission succeeded in eliminating it. Another major accomplishment of the Wood administration was the creation of a Cuban national education system, vastly superior to what had existed under Spain but designed to inculcate U.S. principles; even the textbooks were translations of U.S. textbooks. All these programs and reforms, as well as the expenses of the U.S. troops, were paid for from the Cuban treasury.

Ruling with arbitrary methods and largely ignoring the former revolutionaries, especially the Afro-Cubans, in favor of Spaniards and creole planters who had opposed independence, Wood imposed a new electoral law that empowered the “better class” by restricting the franchise to literate adult males with property worth \$250. Elihu Root, McKinley's secretary of war, especially celebrated the law's impact on Afro-Cubans: “Limited suffrage,” he wrote, effectively excluded “so great a proportion of the elements which have brought ruin to Haiti and San Domingo.” Elections for a constitutional convention, not surprisingly, pro-

duced an assembly that, under intense U.S. pressure, adopted a document, which included the so-called Platt Amendment. This amendment limited the ability of independent Cuba to conduct foreign policy and to borrow money abroad. It authorized the United States to maintain a naval base at Guantánamo Bay, and, most important, gave the United States the right to intervene in Cuba for the “preservation of Cuban independence” and for the “maintenance of a government adequate for the protection of life, property, and individual liberty.”

The third goal of the occupation was to absorb Cuba into the United States' economic sphere of influence. Because the Platt Amendment assured U.S. businessmen of protection and a generally favorable investment climate on the island, capital poured into sugar and railroad construction. A reciprocal trade agreement signed by the two nations in 1903 was the final step in bringing Cuba under U.S. hegemony. This treaty cut by 20 percent the tariff on Cuban sugar exported to the United States; in return, Cuba reduced the duties on imported U.S. goods.

The end of Spanish rule and the U.S. occupation also transformed Cuban society by removing the final obstacle to the development of the latifundio in Cuba. Two processes worked hand in hand in the following decades: the concentration of land and mills and the **proletarianization** of the sugar workers. The two wars of independence had devastated small mills: the total number fell from two thousand in 1860 to one thousand in 1877 to only two hundred in 1899. The rapid and huge influx of foreign—mostly U.S.—investment into sugar enabled the larger mills to buy up surrounding cane land. The colono was reduced to circumstances close to slavery. Ramiro Guerra y Sánchez has estimated that the great mills owned perhaps 20 percent of the island's area in 1927.

The expansion of the latifundio impoverished the rural masses of the island. The colonos were kept at subsistence levels, deeply indebted to the mill and in constant fear of eviction. The wages of rural workers remained low because the mills imported cheap labor from other Caribbean islands.

As a result, a considerable reserve pool of labor was available; even those lucky enough to find jobs worked only four months of the year during the harvest period. Displaced farmers had two choices: they could remain and work for small wages on a seasonal basis for the sugar mills (*centrales*), or they could emigrate to the cities, where jobs also were scarce. Small independent growers were at a severe disadvantage, for the mills squeezed the price paid for their cane to a minimum. In addition, the mills controlled the transportation network.

The ruin of the small mills and farmers and the low wages paid rural labor, which reduced the purchasing power of the masses, sharply limited the domestic market for manufactured goods and commercial services. There was thus little Cuban industrialization. Sugar companies monopolized the railroads and operated them solely for their own benefit, often without regard to the public interest. Although Cuba's railroad network exceeded that of most Latin American nations, it was inadequate to develop an internal market.

U.S. companies, which had poured money into Cuban sugar during the first occupation, had invested \$200 million by 1913, predominantly in sugar. This accounted for nearly one-fifth the total U.S. investment in all of Latin America.

## Dependent Development and Popular Struggle, 1902–1953

### INTERVENTION, CORRUPTION, AND POPULAR RESISTANCE, 1902–1924

Cuba's political life, afflicted by its status as a U.S. "protectorate" and suffering from interventions, had a weak and stunted growth. Its first president, Tomás Estrada Palma, the aging former head of the government-in-exile during the Ten Years' War, had not even lived in Cuba for twenty-five years and consequently relied heavily on U.S. support to secure his election in 1901. Without a loyal Cuban constituency even among the "better class," Estrada set an enduring pattern in twentieth-century Cuban politics by implementing U.S.-

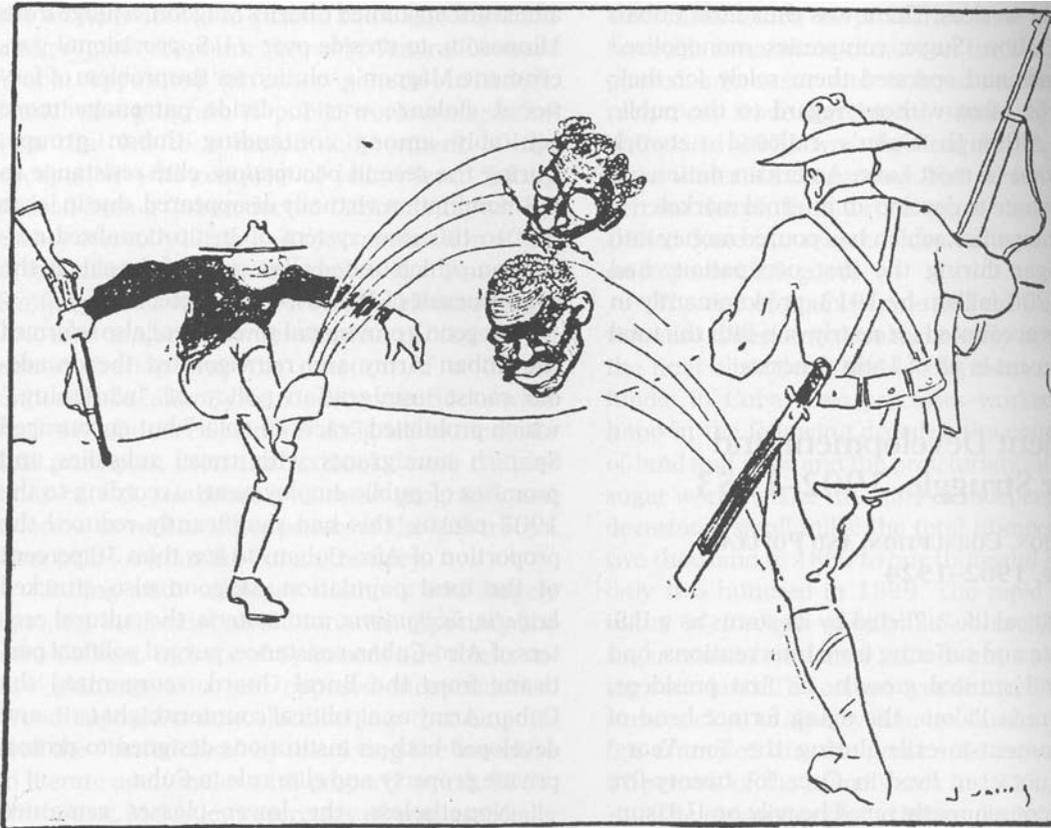
sponsored policies and currying favor among local elites through patronage, graft, fraud, corruption, and intimidation.

Although these tactics served Estrada well in his 1905 reelection bid, they also alienated propertied elites excluded from the public dole; meanwhile, lower-class Cubans—peasant *guajiros*, workers, and Afro-Cubans—seethed at the government's neglect of the national liberation struggle's original goals: independence, equality, and social justice. The combination of elite and popular discontent, always a volatile mix, produced a series of revolts (in 1906, 1912, 1917, and 1921) that caused weak Cuban governments to invite U.S. military intervention.

In 1906, President William Howard Taft responded by sending in the Marines, and shortly afterward appointed Charles Magoon, a judge from Minnesota, to preside over a U.S. provisional government. Magoon's solution for the problem of factional violence was to divide patronage more equitably among contending Cuban groups. During the second occupation, elite resistance to U.S. domination virtually disappeared, due in large part to this new system of institutionalized corruption, which united all sections of the elite in the eager pursuit of U.S. favor and protection.

Magoon's provisional government also reformed the Cuban Army and reinvigorated the decade-old racist immigration policy of "whitening," which prohibited "races of color" but encouraged Spanish immigrants with travel subsidies and promises of public employment. According to the 1907 census, this had significantly reduced the proportion of Afro-Cubans to less than 30 percent of the total population. Magoon also attacked *brujería*, *ñāñiguismo*, and santería, the cultural centers of Afro-Cuban resistance, purged political partisans from the Rural Guard, reorganized the Cuban Army as a political counterweight to it, and developed both as institutions designed to protect private property and elite rule in Cuba.

Nonetheless, the lower classes remained restive. Workers, irrespective of race and gender, continued to organize trade unions and press their agenda for social justice. Meanwhile, Afro-Cuban



This 1912 cartoon, entitled "Today's Trendy Sport," depicts a U.S. Marine and a white Cuban soldier playing soccer with the heads of Evaristo Estenoz and Pedro Ivonnet, leaders of the Afro-Cuban insurrection in Oriente province. The caption reads, "Is this how 'football' will be played in Oriente?" [Biblioteca Nacional José Martí]

mambises like José Isabel Herrera complained that U.S. investors, Spanish immigrants, and loyalist elites "took over the businesses, factories, and public jobs that we had just brought to independence." The case of Quintín Banderas was instructive: an Afro-Cuban who fought for thirty years against Spanish colonialism and rose to the rank of general, he died penniless and propertyless, unable even to secure a janitorial job with the government of independent Cuba.

In 1908, under the leadership of Evaristo Estenoz, a veteran of Cuba Libre, Afro-Cubans organized the Independent Party of Color (PIC) to defend the interests of black Cubans, promote integration

and racial democracy, and protest against monopolization of the material rewards of independence by white elites and foreigners. The PIC denounced white supremacy and demanded an end to racial discrimination, expansion of public employment and education programs, establishment of the eight-hour day, agrarian reform, and "Cuba for the Cubans." Despite official efforts to disrupt its activities, the PIC continued to expand until 1912, when, fearing imminent threats to capitalist labor and property relations, U.S. Marines joined the Cuban Army in what historian Aline Helg calls a "racist massacre" that left thousands of blacks dead and thereafter forced Afro-Cubans to pursue



Haydeé Santamaría and Celia Sánchez, along with Vilma Espín, were among the prominent women in the revolutionary leadership and played critical roles especially in the urban underground that directed revolutionary strategy through 1957. Here they are pictured counting cash that they raised in support of the guerrilla war in the Sierra Maestra. [© Topham/The Image Works]

social justice through class and anti-imperialist struggles.

#### **WORLD WAR I AND THE DANCE OF THE MILLIONS**

Cuba's greatest sugar boom and bust occurred as a consequence of World War I. The fighting in Europe, which disrupted sugar production on the continent, from the first caused large price increases: prices nearly doubled in the first two months alone. Eventually, the Allies became totally dependent on Cuban sugar production because they were fighting their major former supplier, Austria-Hungary. This demand spurred further expansion of Cuban sugar production, with planters moving into previously uncultivated land. The last great surge of mill construction also occurred. As production

spread into virgin land, centrales were built, and new towns sprang up.

The Allies attempted to keep commodity prices from skyrocketing by establishing purchasing committees to handle the acquisition of raw materials and food. Nonetheless, Cuban production rose in 1916 to 3 million tons at an average price of 4¢ a pound. Expansion created a severe labor shortage on the island, and laborers were imported from Jamaica and other Caribbean islands to fill the void. The colonos staged a comeback, and a few actually prospered.

The war accelerated the trend toward the concentration of the industry in U.S. hands. By 1919, U.S. companies owned approximately half the island's mills and produced more than half the total sugar. The boom also led to the integration

of sugar mills and plantations with distributors and companies that were large sugar users. Giants such as Coca-Cola, Hershey (chocolate), and Hires (root beer) bought up producers to guarantee their supplies. Producers in turn purchased distributors and refiners.

The postwar years of 1918 to 1920 brought unprecedented prosperity to Cuba as sugar prices soared and Eastern European sugar-producing areas were slow to recover from the war. After the Allied purchasing committees deregulated prices in 1920, they began an incredible upward spiral called the "Dance of the Millions." In February 1920 the price of sugar stood at 9.125¢ per pound. By mid-May the price had climbed to 22.5¢. But soon prices collapsed as a result of a worldwide depression and Europe's agricultural recovery; by December, Cubans were getting 3.75¢ per pound—the prewar price level.

The precipitous rise and equally sudden collapse of sugar prices caused chaos in the Cuban economy. Mills had contracts to buy large quantities of sugar at high prices, prices that were now far higher than the world market. Producers and processors had taken out loans to expand—loans based on anticipated high prices. Banks began to call in these loans. In April 1921 the island's largest bank, the *Banco Nacional*, closed, and others throughout the country followed suit. Simultaneously, the United States raised its tariff on sugar by 1¢, thereby inflicting another blow on the already devastated industry. In 1921 the First National City Bank of New York—long heavily involved with U.S. sugar interests in Cuba—took over nearly sixty bankrupt mills. The harvest reached 4 million tons in 1922, but prices stayed low. The following year, prices rose to 5¢ a pound as a result of the crisis over the French invasion of the Rhineland. Prices were not to reach that level again for three decades.

In late 1920, with the collapse of sugar prices and growing political unrest in Cuba, the U.S. military again intervened, and General Enoch Crowder, in effect, ruled Cuba from his headquarters on board the battleship *Minnesota* until 1923, when he became U.S. ambassador. This experience

revived Cuban nationalism. Crowder's blatant meddling in Cuban politics and the postwar collapse of Cuban sugar revealed the disastrous consequences of foreign domination and monoculture. Searching for solutions to these problems, Cuban university students, one-quarter of whom were women, entered the political arena in the postwar period. Believing that to change society they must change the university, they directed their first attacks against inept and corrupt professors and administrators; in 1922 students at the University of Havana demonstrated for reforms along the lines of the recent university reform in Argentina. Students would henceforth play an important role in Cuban politics.

Women also played increasingly influential roles in Cuba. Economic growth, especially in household services, textiles, and the tobacco and sugar-refining industries, created greater employment for women outside the home. But as they moved "from the house to the streets," in the words of historian Lynn Stoner, women brought to their public activities a communal consciousness forged in family life. Even the Women's Club, organized in 1917 and composed primarily of upper- and middle-class women, insisted that the state, the *pater familias* of Cuban society, should regulate domestic social relations consistent with the common welfare. It therefore supported women's suffrage, equal pay for equal work, greater access to education, and civil equality.

But for Cuban elites and U.S. policymakers, the growing political activism of students and women was not their greatest concern. In the 1920s there emerged a much larger cultural struggle over Cuban national identity that could have had grave implications for the future security of property rights and U.S. hegemony. Historically, Spanish and criollo elites alike had sought to identify the island's culture with Spain and racist doctrines of white supremacy. The various U.S. military occupations, reflecting their own racial and class prejudices, thereafter reinforced these efforts and joined criollo elites in fashioning an image of Cuba as a white Spanish woman menaced by its black population. This image of whiteness was reinforced by a

“national music” identified with Spain and the *danzón*, a rigidly structured dance favored by Cuba’s upper class, whose origins lay in the French *contredanse*. But popular sectors in Cuba, especially in Oriente province, long a stronghold of Afro-Cuban culture, had contested this elite vision of Cuba’s national identity and preferred the multicultural sound of *son*, a musical style that joined traditional Spanish melodies with African rhythms to reimagine a racially diverse Cuban national culture.

Initially denounced by criollo elites like composer Luis Casas Romero as a “true disgrace,” and suppressed by the Cuban government, postwar working-class Cubans defiantly resisted the elite’s cultural hegemony and thrilled to the pulsating beat of *son* and the *rumba*, the dance it inspired. Together, *son* and the *rumba*, which pantomimed sexual intercourse, gave voice to a popular culture that sought to liberate Afro-Cubans and the lower classes from social controls imposed by the dominant class. During the 1920s the development of radio and recording industries soon created a new audience for this music and dance that, according to historian Louis Pérez, previously had been confined to “working-class bars, waterfront cafés, and dance halls.” Boaz Long, the U.S. Minister to Cuba, perhaps best expressed elite fears of this spreading cultural rebellion in a 1920 letter that scorned Cubans’ growing affection for the “syncopated music of Africa” and specifically deplored the social dangers of the *rumba*, which “often become indecent” and “have the effect of developing a mob spirit.” More to the point, however, Long was especially concerned that “in the case of the negro, they may arouse a sense of racial solidarity.”

### MACHADO, 1925–1933

Taking advantage of growing nationalistic sentiment and appealing for women’s support with promises of enfranchisement, Gerardo Machado y Morales won the 1924 presidential election. Despite his nationalistic declarations, however, Machado had very close links to U.S. economic interests, for he had been until his election vice president of a U.S.-owned utility in Havana. Even before he took

office, Machado visited the United States to assure President Calvin Coolidge of his government’s good intentions. Likewise, Machado neglected his promise of suffrage for women, although he authorized breaks for working mothers to nurse their children and established some female hiring quotas.

Machado began his term auspiciously. He embarked on an ambitious program of public works and attempted to institute a system of controls for sugar production designed to protect small and medium-sized producers against severe price declines. Thanks to these and similar efforts, Machado enjoyed unparalleled popularity and faced virtually no opposition for two years.

Already, however, there were disturbing signs of tyranny and economic instability. The number of political assassinations increased alarmingly. A wave of strikes during 1925 was broken by police shooting down strikers. The nation’s most prominent Communist leader, Julio Antonio Mella, was murdered in his Mexican exile by a Machado gunman in 1929. Machado’s secret police routinely eliminated his opponents by throwing them to the sharks in Havana Harbor.

Meanwhile, the sugar industry entered a long period of stagnation and decline. It became clear that the Cuban economy was painfully vulnerable not only to world-market fluctuations but also to U.S. political conditions. During this decade, Cuba lost much of its U.S. market because it encountered the powerful interests of sugar-beet farmers in the western United States. To make matters worse, sugar consumption stayed constant as international competition increased supply. Consequently, the 1926 Cuban harvest reached nearly 5 million tons, but it brought an average of only 2.2¢ per pound. Unable to sustain profits, many companies closed mills and threw people out of work all over the island.

This growing economic instability encouraged mounting opposition from a broad coalition that included university students, women, Communists, labor unions, Afro-Cuban “*negristas*” like Nicolás Guillén, and many old-line politicians. To secure his power in the face of such resistance, Machado responded with increasingly harsh repression that

included tightened censorship and stepped-up terror tactics by his secret police, the *Porra*.

By 1933 the U.S. government had become seriously concerned about the spreading violence, which appeared to threaten U.S. economic interests. In April incoming President Franklin Roosevelt dispatched Sumner Welles in an unsuccessful attempt to negotiate agreement between Machado and the “responsible” opposition, which effectively excluded popular organizations like the Student Directory and the National Confederation of Cuban Workers (CNOC). Then in the summer, a bus drivers’ strike in Havana mushroomed into a general strike that nearly paralyzed the city. After the police massacred several demonstrators in August, Machado’s position seriously deteriorated, for he had lost the support of Welles and the army, both of whom lacked confidence in his ability to contain the revolutionary storm. On August 12, Machado resigned and fled into exile.

### THE REVOLUTION OF 1933

For the next three weeks, a provisional government headed by Carlos Manuel de Céspedes struggled unsuccessfully to end the escalating violence. But in August, two hundred thousand sugar workers, led by Afro-Cuban Communist León Álvarez, joined student protests and seized a sugar mill in Camaguey province, sparking similar actions throughout Cuba; within a month, fully 30 percent of Cuban sugar production was controlled by workers organized into rural *soviets*. With the old regime rapidly unraveling, a group of army sergeants, led by Fulgencio Batista, overthrew the government. The Student Directory immediately allied itself with the sergeants, and together they formed a revolutionary junta.

The new junta had no organized political backing, and its two main components, the non-commissioned officers and the Student Directory, had sharply divergent aims. The sergeants were concerned only with defending their newly won dominant position against any challenge, whereas the students sought genuine reforms but were unsure just how to achieve them. Within a week, the

junta turned over the reins of government to Dr. Ramón Grau San Martín, a well-known physician and long-time opponent of Machado. Grau; Antonio Gúiteras Holmes, a leader of the Student Directory; and Batista were dominant figures in the new alignment.

The first move of the new government was to abrogate the onerous Platt Amendment. A flurry of decrees produced more social legislation than in all the previous history of independent Cuba: an eight-hour day for labor, a labor department, an end to the importation of cheap labor from other islands in the Caribbean, and greater access for children from lower-income groups to the university. There were also measures to redistribute land to peasants, eliminate usury, and give women the vote. Thus empowered, seven newly elected women congressional representatives helped expand the revolution’s social achievements by legislating protections for working mothers, including a twelve-week maternity leave, mandatory employer-provided child care for infants, and prohibitions against firing women for getting married.

Ultimately, however, the revolutionary coalition soon disintegrated, leaving the Grau government caught in the classic bind of the reformer: the left, which included the Student Directory and Communists, was dissatisfied because the reforms were not sufficiently radical; moderates like the ABC, a group of middle-class intellectuals, opposed Grau because his program had become “too radical”; and the right opposed all reform. Grau also alienated U.S. financial and agricultural interests when he suspended repayment of several loans owed to the Chase National Bank of New York and seized two mills of the Cuban-American Sugar Company. The U.S. government adamantly refused to recognize the Grau government.

The behavior of Sumner Welles throughout the Grau interregnum was extraordinarily similar to the conduct of U.S. Ambassador Henry Lane Wilson in Mexico during the Madero administration. Welles persistently falsified reports and misrepresented the Cuban government to Secretary of State Cordell Hull and President Roosevelt. As Wilson had befriended Huerta and helped him to

power, so Welles allied himself with Batista. Eventually (in November 1933), Welles was recalled, but he had seriously undermined the Grau government. As the economic and political situation worsened, Welles's successor, Jefferson Caffery, maneuvered with Batista to form a new government that was acceptable to the United States. In January 1934, Grau, unable to rule effectively in the face of U.S. opposition, went into exile and was replaced by Carlos Mendieta, but Batista ruled from the shadows.

### POPULIST INTERLUDE, 1938–1952

Fulgencio Batista y Zaldívar, the sergeant-stenographer mulatto son of a sugar worker, dominated Cuban politics for the next decade, ruling the island through puppet presidents from 1934 to 1940 and as elected president from 1940 to 1944. Although Batista alienated many of the “respectable” elements of the middle and upper classes, he was extremely popular among the masses. During these early years, he endorsed a mild populist reform program with some effort at land redistribution, distanced himself from the United States, and openly courted the support of labor unions and Communists. Moreover, in late 1939, Batista permitted the election of a constituent assembly to draft the 1940 constitution, which contained progressive provisions that protected labor, guaranteed women equal rights, and limited private property rights when they conflicted with public interests.

These populist reforms were financed in part by higher sugar prices negotiated by the world's sugar-producing nations, which met in London to divide up global markets, limit production, and stabilize costs. They formed an International Sugar Council, which allotted Cuba 29 percent of the U.S. market, half its share in 1929. However, the bulk of the profits generated by Cuba's sugar economy continued to flow out of the country because foreign companies accounted for 80 percent of Cuban production (U.S. companies controlled 56 percent), whereas Cubans owned barely 20 percent.

World War II brought on another economic boom. In 1944 production reached its highest level

since the Depression. In 1946, as part of its efforts to aid European recovery, the United States agreed to purchase the entire sugar harvest for 3.7¢ a pound. During the Korean war, the price of sugar soared to 5.0¢. Inevitably, however, Cuba's competitors, especially the Philippines, expanded production. The market soon became glutted with sugar, and prices fell. But wartime prosperity, although deepening Cuba's trade dependence on sugar and U.S. markets (sugar exports accounted for 80 percent of all Cuban export earnings, 69 percent of which came from U.S. sales), also swelled company profits and government tax receipts, creating a fund to support intra-elite corruption and populist social programs without unduly burdening business, foreign or domestic. These modest reform programs typically aimed to stabilize capitalist labor and property relations.

Grau, elected president in 1944, continued this tradition. A symbol of Cuban regeneration and democracy, he offered hope to Cuban workers, peasants, women, and fledgling industrialists. He especially acknowledged his political debt to Cuban women voters, declaring that “my government is a government of women.” But Grau did little to make good on his promises; instead he presided over an unparalleled reign of corruption. True, the Grau government initiated some reforms, the most significant of which was encouragement of trade-union organizing. By the end of his presidential term, 30 to 50 percent of the work force was unionized and represented the key industries of sugar, tobacco, textiles, transportation, and light manufacturing. These workers used their collective bargaining power and the favorable market conditions to demand higher wages and better working conditions. But Grau made no attack on such key problems as agrarian reform and monoculture.

In 1947 a charismatic populist leader, Eddie Chibás, launched a new campaign against government oppression and corruption. A former ardent supporter of the *Auténticos*, Chibás had become disillusioned and formed the *Ortodoxo* Party, which featured a mild program of social reform and clean politics. Extremely popular, he posed a serious threat to the *Auténticos*, whose 1948 presidential

candidate, Carlos Prío Socorrás, former leader of the Student Directory, nonetheless won easily because he controlled the election machinery. Prío became another in a long line of Cuban country-club presidents who spent much of his time serving his guests daiquiris at his opulent farm in the suburbs of Havana. There was no letup in the corruption, gangsterism, and spoils system characteristic of his predecessor's regime. As under Grau, the prosperity brought on by high sugar prices concealed Prío's mismanagement.

But a dramatic postwar contraction of overseas sugar markets and collapse of international sugar prices, intensified by U.S. laws that reduced the Cuban sugar quota to protect domestic sugar producers, spread economic depression throughout Cuba. This produced growing unrest among the lower class and increasing opposition among foreign and Cuban businesses that could no longer afford to finance the Auténticos' insatiable corruption or expensive populist reforms. Foreign investors especially insisted that the Auténticos rein in militant workers; an executive at the Cuban subsidiary of Bethlehem Steel, for example, noted with obvious displeasure that "the problem during the Grau and Prío Governments was labor strikes."

Even worse, the unorthodox populist Eddie Chibás, a leading candidate for the presidency in 1952, anticipated that either a military coup or fraud would prevent his election. Seeking to ignite a popular uprising against corruption and foreign influence, he killed himself during a nationwide radio broadcast, plunging the nation into political pandemonium. Six months later, Fulgencio Batista, with tacit U.S. support, overthrew the Prío government, outlawed the Cuban Communist Party, violently suppressed labor strikes, abolished recalcitrant unions, and eliminated most earlier populist restrictions on business freedom.

### **THE RETURN OF BATISTA AS DICTATOR, 1952–1959**

Batista's new minister of labor, Dr. Carlos Saladrigas, seeking to reassure Cuban business elites and U.S. investors, immediately announced that the

coup's goal was to "bring about a radical change in labor-employer relations and remove obstacles for investment of national and foreign capital." A week later, the U.S. government officially recognized the Batista regime, and corporate leaders praised his policies: "When Batista took over, there were no more strikes," a Bethlehem Steel executive told historian Morris Morley. "I found economic conditions under Batista more stable." A Merrill-Lynch executive likewise praised Batista for permitting "business, the competitive system, the free enterprise system to operate."

Although the policies protected by Batista's political terrorism found much favor among business elites, they remained highly unpopular with most Cubans. Moreover, like his contemporaries, Carlos Ibáñez in Chile, Getúlio Vargas in Brazil, and Juan Perón in Argentina, Batista soon discovered that ruling a second time would prove more difficult than the first. A new generation of revolutionaries rose to replace the discredited leaders of 1933. Unlike Grau or Prío, they would not be bought off or collaborate with the dictator. Several groups opposed Batista, including the Federation of University Students (FEU) and the Auténticos, who plotted from their havens in Florida; the 26th of July Movement, led by Fidel Castro, unsuccessfully tried to overthrow the government in 1953 by assaulting the Moncada army barracks. Despite the activities of the students and Castro's guerrilla group, the dictator seemed to be firmly entrenched, but his greatest vulnerability remained the structural weakness of the economy, produced by reliance on a single crop: sugar.

Meanwhile, Cuba's sugar industry had stagnated, and the resulting malaise had spread throughout the economy. Agriculture had not become diversified because the land was concentrated in a very few hands—twenty-two companies held one-fifth of the island's farmland. Much of the land was kept idle in case sugar prices should ever boom. Industry was almost nonexistent, for a series of reciprocal trade agreements with the United States—which guaranteed Cuba's sugar market—made it impossible to compete with U.S. imports. These same treaties also stunted agricul-

ture by permitting a flow of agricultural products from the United States, the low prices of which barred potential Cuban competition. Because of its stagnant economy and the peculiar nature of the sugar industry, Cuba suffered from structural unemployment and underemployment. Most sugar workers were needed only during the harvest; even if well paid during this four-month period, they went jobless and often hungry during the other eight months. These structural deficiencies and the economic injustices created by them helped lay the foundation for the Cuban Revolution.

## The Revolution

The Cuban Revolution was deeply rooted in the history of the island, for the movement headed by Fidel Castro continued the revolutionary traditions of 1868, 1898, and 1933. By no coincidence, both before and after gaining power, Castro often cited the ideals of José Martí and the principles of the 1940 constitution. Yet profound disillusionment accompanied those traditions, for Cuba's past revolutions had invariably failed; either its leaders had succumbed to the temptations of great wealth or the United States had intervened to thwart their programs. In large part, the complex development of the Cuban Revolution reflected a combination of loyalty to those revolutionary traditions and a fear of falling into their errors.

Fidel Castro Ruz, the son of a wealthy Spanish farmer in northwest Cuba, was born in 1927. He attended the famous Jesuit school of Belén in Havana and acquired a reputation as a fine athlete. In 1945 he went off to the University of Havana, where he soon became involved in the frequently violent politics that then plagued the university. In 1947 he participated in an ill-fated invasion of the Dominican Republic, sponsored by student political groups that sought to overthrow dictator Rafael Trujillo. Later he became a follower of Eddie Chibás, to whose Ortodoxo Party he belonged from 1947 to 1952.

On July 26, 1953, Castro, in hopes of sparking a rebellion against the Batista dictatorship, led a small band of lower-middle-class and working-

class rebels that attacked the Moncada army barracks near Santiago de Cuba. Their program called for a return to the constitution of 1940, land reform, educational reform, and an end to the vast waste caused by government corruption and large weapons expenditures. Although the assault failed, with heavy casualties, and Castro was captured, the drastic acts of repression the government carried out in its wake and Castro's eloquent defense speech at his trial ("History Will Absolve Me") made him a national hero.

Castro spent the next nineteen months in prison on the Isle of Pines. During this period, the 26th of July Movement formed, led largely by women compatriots like Haydée Santamaría, a founding member of the 1952 anti-Batista resistance, and Melba Hernández, the intrepid lawyer who had defended Castro at trial. They forged political alliances with other anti-Batista groups like the Association of United Cuban Women, led by Gloria Cuadras, and the Women's Martí Civic Front, organized by Carmen Castro Porta, whose antidictatorial activities were rooted in struggles against the Machado regime in the 1920s.

Together, they built a network of urban and rural women who served the revolution as lawyers, interpreters, medical aides, grassroots organizers, educators, spies, messengers, and armed combatants. In addition to Celia Sánchez, perhaps Cuba's best-known woman guerrilla, the revolution also spawned a female combat unit known as the Mariana Grajales Brigade, in honor of the "heroic mother" of the Afro-Cuban independence fighter, Antonio Maceo.

By 1955 these women had produced and distributed some ten thousand copies of Castro's "History Will Absolve Me," which enhanced his reputation. Batista's general amnesty freed him in 1955, and shortly thereafter he went to Mexico to organize a new attack on the dictatorship. While in Mexico, Castro's group received support from ex-president Prío and Venezuelan exile Rómulo Betancourt (later president of Venezuela). Late in 1955, Castro met Ernesto (Che) Guevara, who was to become the revolution's second-in-command and its greatest martyr.

Castro was determined to return to the island to renew the struggle. In 1956 he and his band departed from Mexico aboard a small yacht, the *Granma*, with eighty-two persons aboard. Originally, the rebels had planned to coordinate the landing in Oriente Province with an uprising in Santiago, but, plagued by logistical and scheduling problems, the landing was betrayed, and a small group of survivors barely escaped to the Sierra Maestra. From these mountains, the rebels carried out guerrilla raids and beat off attacks by vastly superior forces.

In February 1957, with Vilma Espín, wealthy daughter of a Bacardí rum company executive, acting as interpreter, Castro granted an interview in his mountain hideout to Herbert Matthews, a well-known reporter for the *New York Times*. The resulting articles enhanced Castro's credibility in the United States and also gave notice to the Cuban people that he was still alive, despite government claims to the contrary. The articles overstated the numerical strength and success of the movement and thereby helped win adherents to the rebel cause all over the island. The guerrillas continued to conduct raids throughout the spring of 1957, picking up recruits and gaining increased sympathy and support from the peasants of Oriente, who rendered invaluable assistance in the form of supplies and intelligence information about government forces.

Although Castro and the guerrillas in the **sierra** received most of the publicity, the urban underground led by Santamaría, Espín, Sánchez, Frank País, and Armando Hart was largely responsible for tactical planning. By mid-1957, violence, especially in Havana, had become endemic as various groups, many unaffiliated with the 26th of July Movement, attacked the regime and met with brutal retaliation. Even women revolutionaries, insulated from earlier repression by the regime's sexism, experienced wholesale arrests, torture, and imprisonment. But they maintained a sense of humor; when their lawyer, Margo Aniceto Rodríguez, was also imprisoned for denouncing Batista's terrorism, other jailed rebels joked that "Margo is such a good lawyer that, if she cannot free us, she at least comes to stay with us in prison."

Life in Santiago and Oriente Province was completely disrupted by terrorism and strikes. Cuba was increasingly gripped by civil war. In the fall there was an abortive uprising of junior naval officers at Cienfuegos. Batista used bombers and other military equipment to crush the revolt; this alienated some of his U.S. support, as the terms of Cuba's military assistance agreement with the United States expressly forbade using this equipment for domestic purposes.

After the new year, the trend of events turned decisively against Batista. The United States suspended arms shipments to the Cuban government in March 1958. The middle class abandoned the dictator. In May, Batista launched a major effort to dislodge the guerrilla army from its base in the Sierra Maestra, and the resulting defeat doomed his regime. Rebel forces inflicted heavy losses on the government troops. Withered by corruption and led by incompetent cronies of Batista, the army was no match for the guerrillas and their clandestine urban allies.

As Batista's plight grew desperate, frantic negotiations involving the U.S. embassy began with a view to staving off a revolutionary victory by the creation, through a coup or fraudulent elections, of a new government, which the U.S. government would recognize and assist militarily. Batista actually held presidential elections, printing up filled-in ballots in advance, and readied a president to take office in February. But the strong drive of the rebel forces frustrated these maneuvers; by the end of December 1958, the *barbudos* (bearded revolutionaries) were on the outskirts of Havana. On January 1, 1959, abandoned by his U.S. allies, Batista and his closest aides fled to Miami.

Thus, a rebel band, numbering fewer than three hundred until mid-1958 and scarcely three thousand when the old regime fell, won a great victory because they were persistent and disciplined and gained the sympathy of all the people—peasants, workers, and the middle class. But they also faced an army wracked by favoritism and incompetence. Batista's army, when put to the test, proved able to terrorize unarmed citizens but disintegrated when confronted with a formidable insurgency.

## The Revolution in Power, 1959–2003

During its first four years (1959–1962), the revolution consolidated its domestic political position, began the socialization of the economy, and established a new pattern of foreign relations. In 1959 the revolutionary leaders made a series of decisions that determined the course of the revolution for the next decade. First, they concluded that parliamentary democracy was inappropriate for Cuba at that time. The Fundamental Law of the Republic, decreed in February 1959, concentrated legislative power in the executive. As prime minister and, later, as first secretary of the Communist Party, Castro held the decisive posts in the government and the ruling party of the Cuban state. Within eighteen months, the revolutionary regime had suppressed the right of free press and the centuries-old autonomy of the University of Havana. The revolutionaries conducted public trials of former *Batistianos*, and a large number of Batista's henchmen were executed.

Second, the revolutionaries moved to consolidate their political support and accomplish their economic goals: land reform, income redistribution, agricultural diversification, and economic independence from the United States. The radicalism of their economic program and the concentration of political power in the hands of the close-knit 26th of July Movement alienated middle-class supporters like Major Huber Matos and President Manuel Urrutía, who resigned in July 1959. In October, Matos, one of the revolution's foremost military leaders and a violent anticommunist, was charged with treason and imprisoned. At the same time, the revolutionaries allied with the Popular Socialist (Communist) Party, seeking its help in administering the country.

In January 1960 moderate elements were purged from the leadership of Cuban labor unions, and the Soviet Union was cultivated as an ally to diversify the nation's economic dependence and protect the revolution from U.S. intervention. Soviet deputy premier Anastas Mikoyan agreed that the Soviets would purchase 425,000 tons of Cuban sugar in 1960 and 1,000,000 tons the next year.

In May, Cuba resumed diplomatic relations with the Soviet Union.

### UNITED STATES–CUBAN RELATIONS

Meanwhile, Cuban relations with the United States, already suffering from the unfavorable publicity brought by the trials and the expropriation of large estates, reached a crisis in May 1960. The Cuban government requested that the major petroleum refineries, owned by Texaco, Standard Oil, and Royal Dutch Shell, process Soviet crude oil, which the Cubans had obtained at a lower price than the three companies charged for their oil. At the urging of the U.S. State Department, the companies refused, forcing Cuba to expropriate the refineries. The United States retaliated by abolishing the Cuban sugar quota, and Cuba in turn expropriated numerous U.S.-owned properties.<sup>1</sup> In October all U.S. exports to Cuba were banned—an embargo that has not yet been lifted. This action set off a new wave of expropriations of U.S. property, including that of Sears, Roebuck; Coca-Cola; and the enormous U.S. government-owned nickel deposits at Moa Bay.

As relations between the two nations deteriorated, the Central Intelligence Agency (CIA) funneled money to various exile groups for arms and set up a training camp in Guatemala to prepare an invasion force. On January 3, 1961, the outgoing Eisenhower administration severed diplomatic relations with Cuba, and three months later, President John F. Kennedy authorized the exile invasion at the Bay of Pigs on April 15. But the revolutionary army swiftly crushed the attack, which had been poorly planned and executed. Based on the false assumption that the Cuban people would revolt in support of the exile invasion, the Bay of Pigs fiasco immeasurably increased Castro's prestige and gave new impetus for radical reconstruction of the Cuban economy and society.

What had begun as a program of social and political reform within a framework of constitutional

<sup>1</sup> The government had previously taken over only the operation of these properties.

democracy and capitalism evolved into a Marxist revolution. One month after the Bay of Pigs, Castro proclaimed allegiance to socialism, and the Soviet Union, pledging to defend Cuba in the event of another U.S. attack, stepped up its flow of arms to the island.

These included missile emplacements and aircraft capable of delivering atomic weapons throughout most of North and South America. Although Cuba and the Soviet Union argued that the missiles had a defensive, deterrent character, the United States claimed that they were offensive weapons, ordered a naval quarantine of Cuba, and demanded the dismantling of the missile sites. For a time it appeared as if Kennedy was losing control of his military, which was pressing to use force against Cuba. After several days, during which the world came close to nuclear war, the two superpowers reached a compromise by which the Soviet Union agreed to remove its missiles from Cuba in return for a pledge from the United States not to invade Cuba and to remove its own missiles from Turkey. However, the United States continued to subvert and harass the Cuban Revolution with the aid of counterrevolutionary Cuban exiles; this included CIA-sponsored raids against refineries and ports, infiltration of enemy agents, and even some bizarre attempts to assassinate Castro.

### REVOLUTIONARY ECONOMICS

The Cuban Revolution benefited from advantages few other socialist revolutions have enjoyed. The guerrilla war (in contrast to that of China or Vietnam) was relatively short and caused little destruction of human life or property. Moreover, Cuba had well-developed communications and transportation systems, including an extensive railroad network and excellent primary roads. The character of Cuba's rural population promised to make the process of socialist land reform easier than it had been in Russia, for example. Because the sugar industry had proletarianized much of the agricultural work force, farm workers did not demand their own land but sought improved working conditions and wages. Cuba also had considerable unused land

and industrial capacity, which could be quickly employed to raise living standards and increase productivity. Finally, by 1959 there existed a number of developed socialist states that could offer Cuba substantial assistance, thus offsetting the severe negative effects of the U.S. embargo on exports.

But the revolution also faced serious problems. To begin with, the revolutionaries, inexperienced in economic affairs, made mistakes. The socialist reorientation of the economy inevitably caused disruptions, and the U.S. embargo caused crippling shortages of parts and other difficulties, which the development of new patterns of trade with countries in the socialist camp (and with some capitalist countries) only gradually overcame. Also, many of Cuba's ablest technicians joined the first wave of refugees that fled to the United States. Finally, revolutionary leaders initially spurned material incentives, endorsed by more traditional Marxists as the best spur to production, in favor of moral incentives, which would give rise to the "new socialist man." Application of this theory caused considerable economic damage before it was replaced in 1969 by a more pragmatic mix of material and moral incentives.

The first goal of the revolutionary government was to redistribute income to the rural and urban working class. During the first three years, it met with considerable success, raising wages 40 percent and overall purchasing power 20 percent. Unemployment was virtually wiped out. These benefits accrued predominantly to areas outside Havana, for the revolutionaries were determined to reverse the trend toward **hyperurbanization** characteristic of most of Latin America.

The first Law of Agrarian Reform in May 1959 facilitated redistribution of land. It restricted the size of estates and authorized the government to expropriate private holdings in excess of stated limits; the owners would be indemnified depending on the assessed value of the property for tax purposes. The estates of Batistiano government officials were taken over immediately, followed by seizure of the great cattle estates when their owners resisted. The government distributed the expropriated land in small plots or established cooperatives, which the Institute of Agrarian Reform (INRA) administered. Much of

the land redistribution took place in Oriente Province, where peasants had provided early and crucial support for the 26th of July Movement. Eighty-five percent of all Cuban farms fell under the jurisdiction of the reform law because landownership had been so highly concentrated under the old regime.

During the first year of its rule, the Cuban government experimented with various types of agrarian holdings. Eventually, all became *granjas del pueblo* (state farms). Administered by INRA, they usually employed the same workers who had toiled on them before the revolution, but workers were paid better wages and offered improved working conditions.

The redistribution of income to workers and peasants resulted in some long-range problems. With more money to spend, Cubans demanded more food, especially meat, the consumption of which rose 100 percent. This rising demand led to the overkilling of cattle, which seriously damaged the ability of the government to supply meat in later years. The government lowered rents and utility rates and supplied many services free of charge, which increased disposable income even more. Inevitably, shortages arose because Cuba no longer imported consumer goods and foodstuffs. Rather than limit consumption inequitably by raising prices, the government began rationing in March 1962. The revolutionaries also poured large sums into rural housing, roads, and other improvements, but poor planning wasted scarce resources.

Two other important programs had mixed success during the first three years: agricultural diversification and industrialization. The revolutionary government sought to become more self-sufficient by transferring cane land and idle fields to the production of cotton, vegetable oils, rice, soybeans, and peanuts, which would save badly needed foreign exchange on these previously imported commodities. Industrial reforms began slowly; the government at first took over the management of just one major foreign company: the extremely unpopular telephone company. But U.S. efforts to sabotage the revolution ultimately led to sweeping expropriations of U.S.-owned refineries, factories, utilities, and sugar mills. Next, the government took over the banking system and most

urban housing. Finally, the revolutionary regime began to expropriate native-owned businesses. But more ambitious industrial development plans proved too difficult, and the program was officially put off in 1963.

The revolutionaries encountered serious problems in agriculture after 1961 because of their inability to organize, plan, and administer the economy. Although they set up a central planning agency, JUCEPLAN, in February 1961, more often than not Castro ignored or circumvented it with “special” plans. For a long time, the government also ignored the private agricultural sector, a critical oversight because more than half the farmland remained in private hands. In early 1961, in an effort to overcome this neglect, the government established the National Association of Small Farmers (ANAP), which tried to coordinate the production of small farms with national goals. It also furnished credit, set up stores, and organized various associations.

#### **THE RETURN TO SUGAR, 1963–1970: THE TEN-MILLION-TON HARVEST**

Experience had shown that Cuba lacked the resources and the administrative or technical expertise to industrialize rapidly. As a consequence, Cuban leaders decided in 1963 to reemphasize agriculture and return to intensive sugar production, while continuing a more gradual diversification program. Increased agricultural production, it was hoped, would generate large earnings that eventually could underwrite future industrialization.

Unfortunately, agriculture, especially sugar, had suffered enormously from well-intentioned but short-sighted policies. The sugar harvests of 1960 and 1961 had been extraordinarily successful because they benefited from very favorable weather and because the island’s cane was at the age of peak yield. Also, for the first time in a decade, the entire crop was harvested. But the sugar harvest of 1962 was the worst since 1955, and subsequent harvests continued to be disappointing. The essential problem was that the revolutionaries, in their fervor to diversify, had ripped up some of the

best cane land. They had not replanted cane in two years, and as a result, most Cuban cane was well past its peak yield. Moreover, equipment and manpower were badly administered. Transportation and distribution were in chaos. Sugar mills were damaged and left unrepaired for years. As a result, from 1962 to 1969, agricultural production fell 7 percent.

Nonetheless, the government made considerable efforts to correct the situation. The regime decreed the second Law of Agrarian Reform in October 1963; under this law, it expropriated thousands of medium-sized farms. State farms became the dominant form of agriculture, controlling 70 percent of the land and taking responsibility for all the major export crops. The government also forced those small farmers who remained to sell their crops at low cost. Cuba put a remarkable portion of its gross national product into investment, but that achievement was largely wasted through inefficient administration and poor planning. Many projects were abandoned unfinished, and those that were completed were often improperly maintained and rendered useless.

Thereafter, Cuba launched a new campaign of socialization that centralized the administration of the economy. The most visible symbol of this policy change was the ill-fated, ten-million-ton sugar harvest of 1970. Designed to model the effectiveness of a socialist developmental strategy that stressed “moral” over “material” incentives for workers, it also aimed to produce the largest sugar harvest in Cuba’s history and to use the anticipated foreign exchange bonanza to invest in the nation’s independent industrial development. Confronted with the reality of a severely damaged and underdeveloped agricultural infrastructure capable of producing at best six million tons of sugar, however, the effort was doomed to fail. Ironically, even revolutionary successes contributed to its failure: the revolution had created considerable employment opportunities outside the sugar industry, but this left it with one-fifth the former number of professional cane cutters in 1959 and required a mobilization of non-agricultural labor that seriously depleted resources and destabilized the national economy.

### FAILURE, REASSESSMENT, AND INSTITUTIONALIZED REVOLUTION, 1970–1990

The ballyhooed “ten-million-ton harvest” of 1970 failed to reach its acclaimed goal and in the process did extensive damage to the Cuban economy as a whole. To get the 8.5 million tons they did eventually harvest, the revolutionaries virtually ruined the sugar industry, and subsequent harvests generally were poor. Resources and labor were siphoned off from other sectors, causing disruption and turmoil.

Even more significantly, however, these disastrous economic policies—and the centralized authoritarian state whose administration they seemed to require—began to separate the revolutionary leadership from its base of popular support. No matter how much U.S.-sponsored counter-revolutionary terrorism may have justified it in these years, the regime’s blatant disregard for civil liberties and its authoritarian manner remained a permanent stain on an otherwise laudable revolutionary record. Many Cubans, especially young people excited by the revolution’s democratic promise, refused to accept these practical constraints on their liberty. Slowly, a new popular anti-authoritarian cultural movement emerged around the *canción de protesta* (protest song). This movement attracted youth who believed in the revolution’s goal of social justice but increasingly opposed the hierarchical nature of state decision making, especially its personalist association with Fidel Castro. Ironically, it was greatly influenced by African and Asian anticolonial struggles, the celebration of indigenous folk cultures in Chile and Argentina, and especially Brazilian popular resistance to military dictatorship—all of which the Cuban revolutionary regime also promoted.

Protest songs marked a distinctive development in Cuban music and culture. In the early 1960s, folk artists like Carlos Puebla and Los Compadres (The Godfathers) had combined son and traditional Cuban country music (*música guajira*) with lyrics that sang the praises of the revolution and its guerrilla heroes. Los Compadres’s popular song “*Se acabarán los bohíos*” (“The Shacks Will Disappear”),

for example, celebrated the revolution's promise of "a living wage, an apartment for every family, hard work," and the eradication of bohíos, except those that "remain as museum pieces." The protest singers of the late 1960s, however, identified with the revolution's idealistic and humanitarian goals but criticized its failures, especially its authoritarianism and restraint of artistic freedom.

Silvio Rodríguez, one of the movement's principal voices, captured this sense of revolutionary patriotism and youthful alienation when he denounced state bureaucrats as "bosses who said one thing and did another, squares, those who didn't trust the young, guys with all the perks, enemies of culture, the establishment cowards who were ruining the revolution that I carried inside of me." For Rodríguez and thousands of other young Cubans, it was hypocritical for the revolutionary leadership to encourage Latin American, Asian, and African peoples to rebel against tradition but simultaneously to restrain youthful Cuban rebels, who expressed their dissatisfaction by wearing long hair, hippie clothing, and tattoos.

Some within the revolutionary state agreed. Haydée Santamaría, a veteran of the Sierra Maestra and the 1953 attack on Moncada, refused to surrender to bureaucratic pressures and sought to protect these young protest artists. As the head of the Casa de las Américas, a revolutionary state institution that coordinated cultural exchanges with the rest of Latin America, she organized a series of international music festivals that gave voice to protest songs and, for a time, secured their access to state radio and television programming. But in general, as sugar harvests failed and protest singers were jailed, these were bleak years for the revolutionary economy, cultural expression, and political freedoms.

The great failure of the 1970 sugar harvest, however, prompted a searching self-criticism and dramatic rethinking of revolutionary policies and process. Castro himself admitted his personal responsibility for this failure and vowed to make changes that would advance the revolution. This led to greater political openness and popular political participation. It also enabled the revolutionary

leadership once again to embrace its rebellious youth culture. According to ethnomusicologist Robin Moore, "In the space of only a few years, protest song moved from the margin into the mainstream of socialist music making." Changes in revolutionary state policy, not the surrender of young artists' independence, clearly facilitated this rapid rapprochement.

The Cuban government now increasingly supported this new music, known as *nueva trova* (new ballad), and encouraged its young musicians to represent Cuba at international music festivals organized in Latin America, Spain, and Eastern Europe. It also created the National Movement of the Ballad (MNT), a state organization designed to encourage musical careers and fund the creative arts. Performance centers were established in every province. Although the MNT refused to support particular songs like Pablo Milanés's "La vida no vale nada" ("Life Is Worthless"), the lyrical content of which was deemed to be antisocial, it dramatically expanded the resources available to aspiring young musicians, introduced them to new instruments and electronic technologies like the synthesizer, increased their access to studio time, and helped them distribute their recordings.

During the next five years, the government sought to institutionalize the revolution. It created a new executive committee of the Council of Ministers and gave the bureaucracy wider scope of action and more influence. President Osvaldo Dorticós and Carlos Rafael Rodríguez, a veteran Communist who had fought with Castro in the Sierra Maestra, took charge of Cuba's economic development. The government reorganization drew clear lines of separation between the armed forces, the bureaucracy, and the Communist Party. The militia was disbanded and merged into the army. The military was restructured along traditional hierarchical lines, and Cuba's first revolutionary generals were named. The judicial system was revamped. In addition, an attempt was made to broaden the popular base of the regime and to strengthen the Communist Party. The labor movement was revitalized; a larger role was assigned to the trade unions and the workers' tribunals that saw to the enforcement



This witty cartoon reminds Americans, who still lack universal health care, that socialist Cuba, against all odds, has transformed itself into a world-class health-care provider. [©1994, *Boston Globe*. Distributed by Los Angeles Times Syndicate]

of labor laws and workers' rights. Steps were taken to involve workers more actively in the formulation of production goals and plans.

The Cuban leadership also drastically overhauled the revolution's policy of economic development. It introduced sophisticated computerized planning techniques and inaugurated a system of material incentives for workers and managers. A work quota system was implemented between 1971 and 1973, resulting in a 20 percent increase in productivity in just one year (1972). The government also began to differentiate between jobs for pay purposes. No longer were people paid according to their need but rather according to the productivity and complexity of their job. These

and other economic reforms led to a dramatic rise in productivity. From 1971 to 1975, the gross national product grew at an annual rate of more than 10 percent, compared with an annual growth rate of 3.9 percent for the period from 1966 to 1970.

The first Communist Party congress in December 1975 completed the formal institutionalization of the revolution. The congress adopted Cuba's first socialist constitution, approved by nationwide referendum in February 1976. The constitution, an attempt to make government more responsive to the people, provided for a pyramid of elected bodies. At the bottom were popularly elected members of municipal assemblies, who elected delegates to provincial assemblies and to the National As-

sembly of People's Power. Most of these representatives were Communist Party members. Castro remained entrenched at the top as first secretary of the Communist Party, head of government, and president of the Council of State (elected from the National Assembly).

Political institutionalization was accompanied by efforts to reorganize and rationalize the economy, whose performance had slowed in the last half of the decade. Still heavily dependent on sugar for its economic well-being, Cuba's economy grew a disappointing 4 percent a year from 1976 to 1980. At the root of the problem was the lack of professional management, quality control, and labor discipline, all of which contributed to poorly manufactured goods, ranging from shoes to televisions.

In 1980 persistent economic problems and political disaffection led to a massive emigration of Cubans, primarily to the United States. More than 125,000 Cubans left, mostly through the port of Mariel, many aboard dangerously overcrowded, leaky boats. Nonetheless, Cuba's outmigration (a rate of less than 2 percent in 1980) compared favorably to that in the rest of the Caribbean, where émigrés constituted about 20 percent of the population. Great political and social upheavals historically have caused similar flights of disaffected people; after the American Revolution, 10 percent of the population left for Canada or England rather than live under the new republican rule.

Between 1981 and 1985, Cuba seriously attacked its chronic economic problems, and there was a significant quantitative and qualitative improvement in the economy. The average annual growth rate for the period was 7.6 percent. Export diversification grew, with reexports of Soviet oil accounting for over 40 percent of Cuba's hard-currency earnings in 1985; but in 1988 this share fell to 17 percent because of lower prices on the world market. Despite Cuba's many economic problems, economists Claus Brundenius and Andrew Zimbalist have concluded that Cuba's economic growth between 1960 and 1985 was the second highest in Latin America. Moreover, the distribution of income generated by this growth

was far and away the most equitable, both within and outside the region.

### ACHIEVEMENTS

Despite its mixed economic record, the revolution's achievements in the areas of employment, equitable distribution of income, public health, and education were remarkable. Until 1990, Cuba had the lowest rate of joblessness in Latin America. But workers who were laid off because of plant closings continued to receive 60 percent of their wages. Inequalities in the standard of living were dramatically reduced from the days of Batista. The working classes in particular benefited from government policies; rents were controlled, limited to no more than 10 percent of income, as were rationed food prices (but the government tolerated an open market in farm products). Eighty percent of Cubans owned their own homes. Agricultural workers on state farms and cooperatives got furnished houses with televisions and community recreational centers. Cuban city streets had virtually no beggars and sidewalk vendors, which set them apart from those in other Latin American countries. Education and health care were free and equally accessible to all.

The revolution had always promised equality and social justice, but these were special goals of the Cuban Women's Federation (FMC), organized in 1960 under Vilma Espín's leadership. The FMC played a crucial role early in the development of revolutionary social services: literacy crusades reduced illiteracy from 24 to 4 percent; a national child-care system freed women, irrespective of class, to pursue their own careers; an innovative rural education program taught vocational skills and provided peasant women with modern health-care information; and schools for maids and prostitutes discouraged exploitation of women and retrained them as professionals in socially productive activities.

Since then, the FMC, Latin America's largest women's organization with a membership of 3 million, has continued to influence Cuban policy regarding health care, education, women's

employment, daycare, sexual discrimination, and family life. For example, it secured passage of the 1975 Family Code, which recognized the equal right of both spouses to education and career, required them to share in household duties and child care, and established divorce as a legal remedy for any spouse whose mate refused to comply. Although a 1988 survey showed that men worked only 4.52 hours per week at home, whereas women worked 22.28 hours, it also revealed the law's potential: most respondents acknowledged that this inequity was diminishing steadily.

Women gained enormously from the revolution. In 1953, 20 percent of women were illiterate, without hope of either education or rewarding employment; but by the early 1960s, the revolution had eradicated illiteracy and established equal access to a free education. After the revolution, higher education, long the redoubt of elite women, who had composed 45 percent of a small university student population in 1956–1957, also opened its doors to women of every class; by 1990 women represented 57 percent of a university population that was ten times larger.

Before the revolution, women composed 13 percent of the work force, one-third of them employed as domestic servants. By 1990, however, women represented 38.6 percent of Cuba's workers and constituted 58 percent of technical, 85 percent of administrative, and 63 percent of service workers. Yet the percentage of women managers, Communist Party leaders, National Assembly members, and People's Power delegates was 27, 16, 33, and 17, respectively. Distressing as these figures might be, they resembled the gender inequality typical of developed countries and represented a vast improvement on the records of Cuba's Latin American and Caribbean neighbors. Nonetheless, Castro, clearly disturbed by this inequality, called for increased women's representation commensurate with "their participation and their important contribution to the building of socialism."

Children were special objects of the government's solicitude. Children aged seven and under and pregnant women received a daily distribution of milk and enjoyed the best medical care in Latin America. With the region's lowest doctor-to-

patient ratio, according to a 1990 study in the *Latin American Research Review*, Cuba had "transformed itself into a world-class health-care provider, an extraordinary achievement." Sophisticated medical procedures performed in Cuba included heart transplants, heart-lung transplants, and microsurgery. The educational budget amounted to 7 percent of the nation's GNP, the highest in Latin America. The population had an average ninth-grade education, and illiteracy was wiped out.

The revolution also aimed to end the unspoken racism that historically had shaped public policy in Cuba. Castro himself called on Cubans in 1959 "to end racial discrimination at the workplace" and in "cultural centers." The structural transformation of Cuban society since 1959 led most scholars to conclude that "the revolution has achieved racial equality" even as a "racist mentality" endured within Cuban culture. This was reflected in a demographic shift of blacks and mulattos from 26.9 percent of the population in 1953 to more than 60 percent recently, and it was confirmed by improvements in such social indices as literacy, employment, fertility, interracial marriage, and mortality rates.

Yet Afro-Cubans, who undeniably benefited from the revolution and currently hold prestigious positions throughout Cuban society, still remained statistically underrepresented in higher education, professional employment, and leadership positions in both the government and mass organizations; they were also overrepresented in vocational schools, blue-collar jobs, and *solares* (substandard tenement houses). More disturbingly, they made up 58 percent of the *jóvenes desvinculados*, alienated youth who neither work nor study.

Undoubtedly, most Cubans benefited from the revolution, which explains their extraordinary support for it, even thirty-five years later in the midst of a deep economic crisis. According to an independent 1994 poll commissioned by the Miami *Herald* and conducted by a Costa Rican affiliate of the Gallup Organization, 69 percent of Cubans identified themselves as revolutionaries, socialists, or communists, and 58 percent believed the revolution had produced more achievements than failures. For nearly thirty years, the Cuban Revolution's success had derived from a searching self-criticism,

careful attention to its mass political base, and an enduring socialist pragmatism. The ongoing effort to correct past mistakes, known as *rectificación*, was renewed in the mid-1980s, even before dramatic changes in Eastern Europe created seemingly insuperable economic difficulties for Cuba.

Meanwhile, the revolution's successes and failures reverberated throughout Latin America and greatly influenced other regional reform movements that sought to learn from the Cuban experience. Fairly or unfairly, the Cuban revolution became the standard against which others, revolutionary opponents and proponents alike, measured the success of their movements for social change. In the Andean republics, in Chile, Central America, and Venezuela, each sought its own na-

tional solutions to the general crisis of populism that characterized the late twentieth century, but all were conscious of the Cuban model.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Storm Over the Andes: Indigenous Rights and the Corporatist Military Alternative

## FOCUS QUESTIONS

- Why did military officers, a class commonly regarded as the staunchest defenders of the old order in Latin America, lead revolutions in the Andean republics of Bolivia, Peru, and Ecuador?
- What economic and social reforms did these military leaders propose, and what interests did they represent?
- How did indigenous resistance to political, social, and economic inequality affect these revolutions?
- How did military corporatism aim to promote the rise of an autonomous native capitalism?
- Why did the military reformers fail to make a clean break with the model of dependent development and the problems it generated?

**E**VEN AS CUBA'S ARMED REVOLUTION offered a model for other Latin American nations in the second half of the twentieth century, a different path to reform occurred in the Andean republics of Peru, Bolivia, and Ecuador, whose economic and social structures were among the most archaic in Latin America. Here, the 1968 Peruvian Revolution, largely carried out by military officers seeking to secure corporatist reforms, provided the clearest alternative to the Cuban revolutionary model. Developments in Peru and Ecuador between 1968 and 1975 exposed the fallacy of the common assumption that the Latin American military constitutes one reactionary mass. Moving with greater speed and vigor than any civil-

ian reformist regime in Latin American history, a Peruvian military junta headed by General Juan Velasco Alvarado decreed nationalization of key industries and land reform that transformed great estates into peasant and worker cooperatives. This created novel new forms of economic organization that claimed to be "neither capitalist nor communist." In 1975 the Peruvian Revolution halted its advance and began a retreat that threatened even its major conquests—the agrarian reform and the great nationalizations—with erosion and even destruction. Yet it ranks among the more serious recent Latin American efforts to achieve a breakthrough in the struggle against backwardness and dependency.

But the Peruvian experience was the culmination of historical events that had long characterized the entire Andean region. As elsewhere on the continent, Andean reformist movements fused the effort to modernize with the struggle for greater social justice for the masses: economic sovereignty, industrialization, and land reform. But the presence of large, compact indigenous groups, ranging from some 70 percent of the population of Bolivia to about 40 percent of the populations of Peru and Ecuador, gave a distinctive character to these nationalist movements. Still another common feature of the Andean struggle was the leading role played by nationalist military officers, who, fearing autonomous indigenous rights and militant working-class movements, sought to contain them by advancing a moderate corporatist reform agenda rooted in the idea of a mestizo nation. Military corporatism gave indigenous, peasant, and working-class communities representation in the affairs of state but simultaneously denied them power by requiring them to subordinate their respective racial and class interests to serve an idealized nation-state that protected all sectors of society equally. The historical origins of military corporatism lay in early-twentieth-century struggles over land, indigenous rights, and international capitalist development.

## Neocolonialism, the Military, and Indigenous Resistance

The War of the Pacific left a heritage of political and social turbulence as well as economic ruin. Military caudillos and civilian leaders in Peru disputed one another's claims to power and mobilized *montoneros* (bands of guerrillas and outlaws) for their armed struggles. In some areas, the indigenous peasantry, having acquired arms during the war with Chile, rose in revolt against oppressive hacendados and local officials. Banditry was rife in parts of the sierra; on the coast, factions armed by landowners or their agents fought among themselves for control of irrigation canals or over property boundaries.

From the struggle for power the militarists once again emerged victorious: in 1884, Andrés Cáceres battled his way into Lima; seized the National Palace; and initiated a slow, painful process of economic recovery. His first concern was the huge foreign debt. In 1886 his government negotiated the so-called Grace Contract with British bondholders. This agreement created a Peruvian Corporation, controlled by the British bondholders, that assumed the servicing of Peru's foreign debt and received in exchange Peru's railways for a period of sixty-six years. The agreement confirmed British financial domination of Peru but also initiated a new flow of investments that hastened the country's economic recovery. Particularly important was the resulting rehabilitation of the railways and their extension to important mining centers, especially into La Oroya, whose rich silver, zinc, and lead mines began to contribute to the economic revival.

Economic recovery strengthened the political hand of the planter aristocracy and the commercial bourgeoisie, who were increasingly impatient with the military caudillo's unpredictability. In 1895 their leader was the flamboyant Nicolás Piérola, who sought to bring the military under civilian control and led a successful revolt against Cáceres. Piérola presided over four years of rapid economic recovery. On the coast, he promoted an intensive "modernization" that expanded sugar plantations at the expense of small landholders and indigenous communities. In the Andes, the economic revival spurred a renewed drive by hacendados to acquire indigenous communal lands, a drive extended to regions hitherto free from land-grabbing. An 1893 law, which effectively reenacted Bolívar's decree concerning the division and distribution of communal lands, facilitated the process of land acquisition. In this period there also arose a new contract labor system, the *enganche*, designed to solve the labor problem of coastal landlords now that Chinese contract labor was no longer easily available. By this system, indígenas from the sierra were forcibly recruited for prolonged periods to labor on coastal haciendas, sometimes under conditions of virtual serfdom.



The Rumi Maqui movement drew upon a long tradition of indigenous resistance to assert traditional communal values in the face of an aggressive expansion of the mining industry, large plantations, and commercial agriculture in Peru and Bolivia.

[From "South of Panama" (New York: The Century Company, 1915), by Edward Alsworth Ross]

### INDIGENOUS RESISTANCE

The War of the Pacific had a similarly catastrophic impact on Bolivia, which it left landlocked and deprived of revenues from rich deposits of nitrates and copper. Bolivia's national government remained discredited and weak, rendering local landlords still more powerful. Here also, however, indigenous struggles unfolded within the historical context of racial, class, and gender conflicts unleashed by foreign investment, transatlantic market growth, and dependent capitalism. During the late nineteenth century, highland indigenous communities had agreed to pay tribute and provide

seasonal labor services to Hispanic hacendados in exchange for their recognition of indigenous communal land rights, but the lure of larger profits produced by a growing market demand for exports led them to expand their haciendas at the expense of the indígenas.

As a result, in the early twentieth century, the *caciques apoderados*, an armed indigenous movement, spread throughout the Andean highlands. These indigenous rebels defended their community lands and cultural traditions in violent uprisings like the 1921 Aymara Rebellion and the Chayanta Rebellion of 1927, which together mobilized thousands of peasants. This rural ferment, further

complicated by growing worker unrest in Bolivian mines, factories, and urban centers, where a nascent women's movement also became active, led to greater collaboration among the army, landed oligarchs, and their foreign allies.

The aftermath of the War of the Pacific also saw the birth of a new sensitivity to the social struggle of indigenous peoples in Peru. The rise of this indigenismo among intellectuals was closely connected with the crisis of conscience caused by this disastrous war. By exposing the incompetence and irresponsibility of a creole elite that had totally failed to prepare materially and morally, the war led many intellectuals to turn to the indigenous peasantry as a possible source of national regeneration. At the University of San Marcos in Lima, there arose a generation of teachers who rejected the traditional positivist, racist tendency to brand Indians as inherently inferior. The alleged apathy, inertia, and alcoholism of indigenous peoples, these scholars claimed, resulted from the narrow, dwarfed world in which they were forced to live. But as a rule, these bourgeois reformers ignored the economic conditions of indigenous peoples and focused on a program of education and uplift that would teach them ways to enter the new capitalist society.

The great iconoclast Manuel González Prada (1848–1918) rejected this gradual, reformist approach to the problem. “The Indian question is an economic and social question rather than one of pedagogy,” he wrote. Schools and well-intentioned laws could not change a feudal reality based on the economic and political power of the gamonales (great landowners), lords of all they surveyed. Elimination of the hacienda system, therefore, was needed to rescue indigenous people. But, according to González Prada, that change would never come through the benevolence of the ruling class: “The Indian must achieve his redemption through his own efforts, not through the humanity of his oppressors.” He consequently advised them to spend on rifles and cartridges the money they now wasted on drink and fiestas. His powerful indictment of the oppressors of indigenous peoples, his faith in their creative capacity, and his rebellious

spirit, expressed in prose that flowed like molten lava, profoundly influenced the next generation of intellectuals.

For their part, indigenous highland communities, whose passive resistance to the gamonales' encroachment on their lands and autonomy the intellectuals had mistaken for laziness and apathy, now openly rebelled. Sparked by indigenous leaders like Teodomiro Gutiérrez Cuevas, the Rumi Maqui movement, a millenarian insurrection that swept like wildfire through southern Peru and the central sierra between 1915 and 1930, proclaimed the restoration of Tawantinsuyu, the fabled empire of the great Inca kings.

#### **THE LEGUÍA REGIME: NORTH AMERICAN INVESTMENT AND PERUVIAN DISILLUSIONMENT**

Integration of indigenous peoples was Peru's gravest social problem, but the rapid economic advance that began under Piérola produced the emergence of a working class whose demands also threatened the peace and security of the ruling class. By 1904 an organized labor movement had arisen, and strikes broke out in Lima's textile mills and other factories. In 1918, during World War I, miners, port workers, and textile workers, responding to a catastrophic inflation of food prices, went on strike. Armed clashes took place between the strikers and the troops sent out to disperse them, and many strikers were arrested. News of the success of the Russian Revolution contributed to the workers' militancy. This movement culminated in a three-day general strike in January 1919; the workers demanded the implementation of currently unenforced social legislation, the reduction of food prices, and the imposition of the eight-hour workday. Under pressure from the workers, the government granted some demands, including the eight-hour day for the manufacturing and extractive industries. The labor struggles of that stormy year merged with the struggle of university students for the reform of an archaic system of higher education that made the university the preserve of a privileged few and denied students any voice in determining policies and faculty appointments.

But sections of the oligarchy were convinced that this new and unstable political and social atmosphere required a different way of ruling. An astute businessman and politician, Augusto B. Leguía, offered a new **Caesarist** political model that combined unswerving fidelity to the dominant domestic and foreign interests with severe repression of dissidents and a demagogic nationalist reform program designed to disarm workers and achieve class peace. In July 1919 he seized power and established a personal dictatorship that lasted eleven years (1919–1930).

Leguía encouraged by every means at his disposal the influx of foreign—especially North American—capital. This was the cornerstone of his economic policies. Oil and copper were major fields of North American investment in Peru in this period. The fruits of Leguía’s policy of opening the doors wide to foreign capital soon became evident. In 1927 a vice president of the First National City Bank wrote that “Peru’s principal sources of wealth, the mines and oil-wells, are nearly all foreign-owned, and excepting for wages and taxes, no part of the value of their production remains in the country.” Perhaps the most scandalous example of Leguía’s policy of giving away Peru’s natural resources was his cession of the oil-rich La Brea–Pariñas fields to the International Petroleum Company (IPC), a subsidiary of Standard Oil of New Jersey, in return for a minimal tax of about 71 cents a ton. This cession and a 1922 arbitral award confirming the dubious claims of an English oil company, whose rights had passed to the IPC, became an abiding source of Peruvian nationalist resentment.

Peru under Leguía received a plentiful infusion of North American loans, amounting to about \$130 million. The bankers were aware of the risks involved, but the prospects of extremely large profits made these transactions very attractive. A trail of corruption, involving Leguía’s own family, followed these deals; Leguía’s son Juan, acting as an agent for Peru, received more than half a million dollars in commissions.

Leguía used the proceeds of these loans and the taxes on foreign trade and foreign investment

operations for a massive public works program (including a large road-building program carried out with forced indigenous labor) that contributed to the boom of the 1920s. During those years, Lima was largely rebuilt, provided with modern drinking water and sanitation facilities, and embellished with new parks, avenues, bank buildings, a race-track, and a military casino. But these amenities did not improve the living conditions of Andean peoples or dwellers in the wretched *barriadas* (shantytowns) that began to ring Lima.

Convinced that the threat of communism required some concessions to the masses, however, Leguía did make some gestures in the direction of reform. The constitution of 1920 had some striking resemblances to the Mexican constitution of 1917. It declared the right of the state to limit property rights in the interest of the nation, vested ownership of natural resources in the state, and committed the state to the construction of hospitals, asylums, and clinics. It empowered the government to set the hours of labor and to ensure adequate compensation and safe and sanitary conditions of work. It also offered corporate recognition of indigenous communities, proclaimed their right to land, and promised primary education to their children. But these and other provisions of the constitution were, in the words of Fredrick Pike, a “model for the Peru that never was.”

That same contrast between promises and performance marked Leguía’s labor policy. During his campaign for the presidency, he denounced “reactionaries” and made lavish promises to the workers. Indeed, on seizing power in July 1919, he immediately freed the labor leaders imprisoned under Pardo. He also permitted a congress of workers to meet in Lima in 1921 and form a Federation of Workers of Lima and Callao. But when the labor movement began to display excessive independence, he intervened to crush it. Workers were forced to accept token reforms and a program of government- and church-sponsored paternalism, crumbs from the well-laden table of the wealthy.

Leguía’s performance was especially disillusioning to the university students. Impressed by his promises of educational reform, they had pro-

claimed him “Mentor of the Youth” and supported his presidential campaign in 1919. But once in power, he sought to drive a wedge between students and workers, jailing student leaders and outlawing the Popular University of González Prada, organized by the students to provide workers with political education. Frequent jailings and deportations of dissident journalists and professors brought Leguía into chronic confrontation with students and faculty, who often went on strike, while the University of San Marcos was repeatedly closed down by the government.

The fledgling women’s rights movement also fragmented during the Leguía dictatorship. In 1914, María Jesús Alvarado Rivera had created *Evolución Feminina*, a journal devoted to the cultivation of cross-class, interracial alliances in pursuit of women’s liberation and social justice. But patrician women refused to join these mixed-race organizations. According to Carrie Chapman Catt, the U.S. feminist and president of the Pan-American Women’s Suffrage Alliance, “the pure Castilian woman would die before she moved equally herself with those of color.” As a result, an aristocratic Peruvian National Women’s Council supported Leguía, resisted broader social reforms, and largely favored enfranchisement of literate women because it would strengthen their elitist cause. Radicals like Alvarado and Magda Portal soon abandoned this feminism dominated by “*damas patrióticas civilistas*” and joined the class struggle against Leguía.

### INDIGENISMO AND SOCIALISM

The traditional oligarchical parties’ surrender to the dictator and the weakness of the young Peruvian working class meant that the leadership of the opposition to Leguía fell to middle- and lower-middle-class intellectuals who sought to mobilize the peasantry and the workers for the achievement of their revolutionary aims. Socialism, anti-imperialism, and indigenismo provided the ideological content of the movement that issued from the struggles of the turbulent year of 1919, but indigenismo was the most important ingredient.

Influenced by the revered González Prada, these intellectuals believed that the revolution necessary to regenerate Peru must come from the sierra, from the Andean indigenous peoples, who would destroy age-old systems of oppression and unify Peru again, restoring the grandeur that had been the Inca Empire. Common to most of the indigenistas was the belief that the Inca Empire had been a model of primitive socialist organization, a thesis rejected by modern scholars. Although almost all land in Peru was individually owned and worked by the 1920s, they also believed that the indigenous community had been and still was the “indestructible backbone of Peruvian collectivity.” The mission of intellectuals, in their view, was to blow life into the coals of indigenous rebellion and link it to the urban revolution of students and workers.

An influential indigenista of this period was Luis E. Valcarcel, author of the widely read *Tempest in the Andes* (1927). In ecstatic prose, Valcarcel hailed indigenous revolts of the sierra as portents of the coming purifying revolution. A more important and systematic thinker, José Carlos Mariátegui (1894–1930), attempted the task of wedding indigenismo to the scientific socialism of Marx and Engels. His major work was the *Seven Interpretive Essays on Peruvian Reality* (1928). Basing his theory on indigenous communal practices and traditions, on the revolutionary experience of other lands, and on his study of history and economics, Mariátegui concluded that socialism offered the only true solution for the indigenous problems.

Like other indigenistas of his time, Mariátegui idealized the Inca Empire, which he regarded as the “most advanced primitive communist organization which history records.” But he opposed a “romantic and anti-historical tendency of reconstruction or re-creation of Inca socialism,” for only its habits of cooperation and corporate life should be retained by modern scientific socialism. Moreover, he stressed that the urban proletariat must lead the coming revolution. Before his untimely death, Mariátegui founded the Peruvian Socialist Party in 1928 and sought affiliation with the Communist International.

Indigenismo was a major plank in the program of the *Alianza Popular Revolucionaria Americana* (APRA), a party founded in Mexico in May 1924 by Victor Raúl Haya de la Torre and Magda Portal, student leaders who had been exiled by Leguía. Haya de la Torre proclaimed that APRA's mission was to lead the indigenous and proletarian masses of Peru and all "Indo-America" in the coming socialist, anti-imperialist revolution. Despite the high-sounding rhetoric of *Aprista* propaganda, the party's first concern was, and remained, Peru's middle sector: artisans, small landowners, professionals, and small capitalists. These groups' opportunities for development diminished as a result of the growing concentration of economic power in Peru by foreign firms and a dependent big bourgeoisie.

In a revealing statement in the mid-1920s, Haya de la Torre declared that the Peruvian working class, whether rural or urban, lacked the class consciousness and maturity needed to qualify it for the leadership of the coming revolution. He assigned that role to the middle class. To this opinion he joined a belief in the mission of the great man (himself) who "interprets, intuitively, and directs the vague and imprecise aspirations of the multitude." Portal's view of Peruvian women was equally condescending: without APRA's guidance, she insisted, they could not be entrusted with the vote because of their low "cultural level" and "unquestioning dependence on masculine influence."

Haya de la Torre early assumed an ambiguous position on imperialism. Refuting Lenin's theory that imperialism was the *last* stage of capitalism, he argued that in weak, underdeveloped countries like Peru, imperialism was the *first* stage. In effect, imperialism provided the capital needed to create industry, a powerful working class, and the middle class that ultimately would lead the nation in a socialist revolution. Switching from this position to the belief that imperialism must be encouraged and defended was an easy step for Haya de la Torre to take. Mariátegui, who was associated with Haya de la Torre in the student and labor struggles of the early 1920s, soon perceived the inconsistencies of his position and assailed APRA for its "bluff and lies" and its personalism. Despite, or precisely be-

cause of, its vague, opportunistic ideology, APRA managed to win over an important section of the Peruvian middle class, especially the students, during the three decades after 1920. It also gained great influence over some peasant groups and urban workers, whom it organized into unions that were its main political base.

#### APRA VERSUS THE MILITARY

The onset of a world economic crisis in 1929, which caused a serious decline of Peruvian exports and dried up the influx of loans, brought the collapse of the Leguía dictatorship. But neither the small Communist Party nor the stronger APRA movement was able to take political advantage of Leguía's downfall. A *cholo* (i.e., indigenous) army officer, Luis Sánchez Cerro, seized power and became the dominant figure in a populist ruling military junta. Sánchez Cerro soon proclaimed the primacy of the indigenous problem, the need for agrarian reform through expropriation of uncultivated lands, and the aim of regulating foreign investments in the national interest. In effect, Sánchez Cerro had stolen much of APRA's thunder, to the annoyance of Haya de la Torre.

But the Apristas nonetheless launched an unsuccessful revolt in 1932 that led to mass executions and the assassination of Sánchez Cerro. This created a vendetta between the army and APRA that helps explain the long, stubborn opposition of the Peruvian armed forces to APRA's assumption of power, whether by force or peaceful means. More important, it enabled the financial and landed oligarchy to consolidate its power. Thereafter, it courted foreign investors like the U.S.-based International Petroleum Company and promoted export production. But a stagnant economy ensued due to low prices for the country's chief exports (copper, cotton, lead, and wool), a situation only temporarily relieved by growing demand and high prices during World War II (1939–1945) and the Korean war (1950–1953).

In the wars' aftermath, however, Peru, despite modest development of its extractive mineral industry, remained a largely agricultural, export-

dependent country with a wealthy, powerful landed oligarchy, a weak and fragmented middle class, a marginalized indigenous peasant majority, and a largely unorganized and undeveloped urban working class. Nonetheless, APRA militants continued to agitate for policies designed to restore popular democracy, renew anti-imperialist struggle, and promote social justice. Largely influenced by the *comandos femeninos*, these policies included land reform; civil and political equality irrespective of race, class, or gender; and state regulation of foreign investment. In 1955, Peruvian women finally won the right to vote, but little more. APRA's male leadership, fearful of a growing lower-class power, increasingly abandoned women and their social justice issues to curry favor with landed elites.

Meanwhile the inequities of Peru's income distribution continued to increase, as did collisions between large landowners and increasingly militant, well-organized indigenous peasants. In some cases, peasants revolted against precapitalist labor systems (like the *yanacona*, which often required personal service); in others, violence arose because landowners tried to evict their indigenous tenants and sheep in favor of wage labor and cash rent systems. These evictions increased landlessness and population pressure in indigenous communities, thereby accelerating the flow of highland emigrants to the coast, where they swelled the population of city slums and shantytowns.

This first generation of indigenous highland migrants, known as *provincianos*, now found themselves in a foreign environment, surrounded by hostile urban elites who ridiculed their rural lifestyles, scorned their racial origins, and limited their social, economic, and political opportunities. For hundreds of years, Peru's *criollo* elite had preserved its cultural authority and political power by institutionalizing a rigid race-based social hierarchy that defined criollos as "white," civilized, and superior; it likewise identified indigenous peoples, mestizos, and blacks as inferior, barbaric, ignorant, and uncivilized. Not surprisingly, the new migrants sought to assimilate into their strange surroundings by publicly emulating *criollo* culture even as they privately celebrated their various high-

land traditions. They settled together in *barriadas* (slums) or *pueblos jóvenes* (squatter communities) and often supported their families by opening small businesses in the informal sector, selling a broad range of commodities on street corners, or working as domestic servants.

## The Limits of Populism, 1952–1968

### THE 1952 BOLIVIAN REVOLUTION

Against a similar background of indigenous conflicts with creole landlords and class warfare between mineworkers and foreign mine owners, revolution was brewing in Bolivia during World War II. This was accelerated by the disastrous results of the Chaco War (1932–1935), which doubled the size of Paraguay at the expense of Bolivia, whose army was disgraced. (See the map in Chapter 9, p. 210.) Even more problematic, however, was the Bolivian military's desperate effort to force indigenous highland conscripts to fight in the hot, humid lowlands on behalf of a nation they did not recognize. This only exacerbated indigenous unrest. In addition, the social turmoil unleashed by the global economic depression and the growing wartime domination of foreign mining companies, originally inspired by skyrocketing demand for Bolivia's strategic mineral raw materials, combined to alienate middle-class support for successive military dictatorships that had dominated the Bolivian State.

The last straw was the army's 1942 Catavi massacre of unarmed striking miners and their families. Fearing greater social unrest, the mobilization of popular sectors, and its implications for their own power and property, middle-class activists organized the National Revolutionary Movement (MNR) and led a massive protest that brought the reformist government of Gualberto Villaroel to power the following year. But Villaroel was assassinated three years later. Thereafter, during a six-year struggle, the MNR mobilized the countryside and urban centers. Women especially played a

significant role: the Women Workers' Federation (FOF) and the Barzolas, the MNR's infamous female "secret police" (named for María Barzola, a woman miner who died in the Cataví massacre), organized street demonstrations, hunger strikes, and other political protests.

By 1952 the MNR, led by Victor Paz Estenssoro, finally overthrew the rule of the great landlords and tin barons with the support of armed miners and peasants. The Bolivian land reform, begun by the spontaneous rising of the peasantry and legitimized by the revolutionary government of President Paz Estenssoro, broke the back of the latifundio system in Bolivia. Like the Mexican land reform, however, the Bolivian reform created some new problems even as it solved some old ones. The former latifundia were usually parceled out into very small farms—true minifundia—and the new peasant proprietors received little aid from the government in the form of credit and technical assistance. Yet, despite its shortcomings, the Bolivian land reform brought indisputable benefits: some expansion of the internal market; some rise in peasant living standards; and, in the words of Richard W. Patch, "the transformation of a dependent and passive population into an independent and active population."

Women, workers, and indigenous communities became politically energized. Women joined private charitable associations and international organizations like the Inter-American Women's Commission (CIM) to agitate for the right to vote, civil equality, indigenous rights, and greater access to education. Lydia Gueiler Tejada, for example, advocated "the free association of women in legitimate defense of her interests, without distinction of class, race, creed, or even political ideas." Mineworkers, led by Juan Lechín, demanded nationalization of the tin mines and *control obrero*—workers' control in the management of state-owned mines. Indigenous communities called for immediate, wholesale land reform and greater cultural freedom.

In response, the new government nationalized the principal tin mines, most of which were controlled by three large companies, and recognized its debt to the armed miners by placing the mines

under joint labor-government management. It also abolished the literacy and gender restrictions on voting and thus enfranchised women and the indigenous masses. But the new regime inherited a costly, rundown tin industry, while the initial disruptive effect of the agrarian reform on food production added to its economic problems.

Increasingly fearful of the lower classes' revolutionary demands for equality and social justice, and under strong pressure from the United States, which made vitally needed economic aid to the revolutionary government conditional on the adoption of free-market policies, the MNR leadership gradually abandoned its populist agenda. The government of Paz Estenssoro offered generous compensation to the former owners of expropriated mines, invited new foreign investment on favorable terms, ended labor participation in the management of the government tin company, and reduced welfare benefits to miners.

Likewise, Paz abandoned any particular interest in women's rights or their social agenda and, instead, cynically manipulated the party's historic support for women's enfranchisement to secure their votes. According to Domitila Barrios de Chungara, a militant activist in the mine-workers' Committee of Housewives (CAC), Paz, who excluded women from leadership positions in the government, nonetheless used the Barzolas women to disrupt radical working-class protests: "The Barzolas would jump in front of them, brandishing razors, penknives, and whips, attacking the demonstrators." But the largely middle-class male movement's patriarchal prejudices clearly limited the political ascendancy of women revolutionaries like Gueiler Tejada, a militant feminist and one-time commander of MNR militias, whose political influence dissipated after she was assigned to a distant diplomatic post in Germany.

Paz also ignored the needs of Bolivia's indigenous peoples, which caused Laureano Machaca, an Aymara peasant leader opposed to the government's policies, to organize a short-lived independent Aymara Republic in 1956. Equally important, Paz agreed to the restoration of a powerful U.S.-trained national army to offset the strength of

peasant and worker militias. These retreats broke up the worker–middle class alliance formed during the revolution, undermined populist reforms, and facilitated the military’s seizure of power in 1964.

In the violent ebb and flow of Bolivian politics thereafter, a persistent theme was the conflict among radical workers, women, and students on one side and a coalition of elite businessmen and politicians grown wealthy through U.S. aid on the other. The indigenous peasantry, neutralized by a populist agrarian reform that satisfied its land hunger, initially remained passive or even sided with the government in its struggles with labor, but later unrest began to grow as a result of deteriorating economic conditions and a growing consciousness of their collective indigenous identity. Increasingly, the military intervened in Bolivian politics to resolve these conflicts and impose a social stability through force of arms.

#### **PERU’S BELAÚNDE: INDIGENISTA POPULISM AND BROKEN PROMISES**

Following the lead of his populist neighbors to the east, Fernando Belaúnde Terry organized his presidential campaign in Peru with a decided indigenista tinge. Visiting the remotest Andean villages, Belaúnde extolled the Inca grandeur, called on the natives to emulate the energy and hard work of their ancestors, and proclaimed the right of the landless peasantry to land. But his performance in the field of agrarian reform did not match his promises. The agrarian law that issued from Congress the following year stressed technical improvement rather than expropriation and division of latifundia, with the hope that hacendados would adopt modern methods to improve production. As amended in Congress by a coalition that included Apristas, the law exempted from expropriation the highly productive coastal estates, whose workers had been unionized by APRA, and reserved archaic hacienda lands in the sierra for redistribution. But the loopholes or exceptions were so numerous that the law produced very modest results.

Meanwhile, Belaúnde’s lavish promises had given great impetus to peasant land invasions. By

October 1963, invasions had multiplied in the central highlands and were spreading to the whole southern part of the sierra. The land-invasion movement also changed its character; whereas before the peasants had seized only uncultivated lands, they now occupied cultivated land, arguing that they had paid for it with their unpaid or poorly paid labor of several generations. Militant peasant unions under radical leadership appeared, and a guerrilla movement arose in parts of the sierra. Meanwhile, a wave of strikes broke out in the cities, and workers occupied a number of enterprises in Lima and Callao.

These outbreaks took the Belaúnde administration by surprise. The hacendados, supported by APRA, demanded the use of the armed forces to repress the peasant movement. Indeed, APRA—once so “revolutionary”—called for the harshest treatment of the rebellious peasants. At the end of 1963, after some vacillation, the Belaúnde government decided to crush the peasant movement by force, a task the armed forces apparently assumed with reluctance, preferring “civic action” programs of a reformist type. According to one estimate, the repression left 8,000 peasants dead and 3,500 imprisoned, 14,000 hectares of land burned with fire and napalm, and 19,000 peasants forced to abandon their homes.

Belaúnde had failed to solve the agrarian problem. He also failed to keep his promise to settle the old controversy with the International Petroleum Company over the La Brea–Pariñas oil fields, which, Peru claimed, IPC had illegally exploited for some forty years. Finally, under strong pressure from U.S. interests, who delayed large planned investments in Peru, Belaúnde’s government signed the Pact of Talara, which represented a massive surrender to the IPC. Peru regained the now almost exhausted oil fields but in return agreed to the cancellation of claims for back taxes and illegal profits amounting to almost \$700 million. IPC also received a new concession to exploit a vast area in the Amazon region and was allowed to retain the refinery of Talara, to which the government agreed to sell all the oil produced from the wells it had regained at a fixed price. A scandal rocked the country when the government, forced to publish the



General Juan Velasco Alvarado led the Revolutionary Government of the Armed Forces in 1968 and, invoking the immortal words of the revolutionary Inca Tupac Amaru, proclaimed to Peru's impoverished campesinos and indigenous communities that "the boss will now no longer eat from your poverty!" [AP Images]

document, claimed to have "lost" the page setting the price that the IPC must pay the state oil company for its crude oil. As public indignation grew, the armed forces, opposition parties, and even the Catholic Church denounced the agreement.

For Peru's military leaders, this was the last straw. For some years, they had engaged in intense soul-searching over the past and future of their country; now they were convinced that Belaúnde's government and the social forces that supported it had sold out the national interest and were incapable of solving Peru's problems. In October 1968

the armed forces seized the presidential palace, sent Belaúnde into exile, and established a military governing junta that began a swift transformation of Peru's economic and social structures.

## Military Corporatism and Revolution, 1968–1975

### THE PERUVIAN MILITARY ABOUT-FACE

Initially, the military seizure of power appeared to be another in the long series of military coups that punctuated the history of Peru and other Latin American countries—coups that changed the occupant of the presidential palace but left the existing order intact. However, under the leadership of General Juan Velasco Alvarado, the self-proclaimed "Revolutionary Government of the Armed Forces" quickly distinguished itself from this tradition. Instead, it decreed laws that called for nationalization of oil, a sweeping agrarian reform, and workers' participation in the ownership and management of industrial concerns.

Observers found these events as startling, in the words of Fidel Castro, "as if a fire had started in the firehouse," for the Latin American military had traditionally been regarded as loyal servants of the area's oligarchies. But in Peru, a social and ideological gulf had been developing between the military and civilian elites for decades. Most army officers came from a military family or from the lower-middle class. These officers, fearing the rise of an autonomous, indigenous peasant and working-class radicalism, sought to protect and promote national capitalist development in Peru by shifting power from landed oligarchs, foreign investors, and their government representatives to a socially responsible state controlled by a nationalistic new bourgeoisie.

Within a week, the Velasco junta had nationalized the IPC's oil fields and its refinery at Talara and soon after seized all its other assets. Having settled the IPC question, the junta went on to tackle the country's most burning economic and social questions.

### LAND REFORM AND NATIONALIZATION OF RESOURCES

Land reform was the key problem: Peru could not achieve economic independence, modernization, and greater social democracy without liquidating the inefficient, semifeudal latifundio system, the *gamonal* political system that was its corollary, and the coastal enclaves of foreign oligarchical power. Major specific objectives were to expand agricultural production and to generate capital for investment in the industrial sector; thus, landowners were to be compensated for expropriated lands with bonds that could be used as investment capital in industry or mining. On June 24, 1969, President Velasco announced an agrarian reform designed to end the “unjust social and economic structures” of the past. The program deviated from orthodox Latin American reform policies in two respects: first, it did not retain the homestead or family-sized farm as its ideal, and second, it did not exempt large estates from expropriation on account of their efficiency and productivity. Indeed, the first lands to be expropriated were the big coastal sugar plantations, largely foreign-owned and constituting highly mechanized agro-industrial complexes. These enterprises were transferred to cooperatives of farm laborers and refinery workers.

Next came the turn of the haciendas in the sierra. The reform applied to most highland estates above 35 to 55 hectares and initially aimed to encourage division of estates into small or medium-sized commercial farms, but this would have reduced the number of potential beneficiaries. Under pressure from militant, unionized peasants, who were demanding employment and the formation of cooperatives, the junta moved from parcelation toward cooperative forms of organization. Eventually, fully 76 percent of the expropriated lands were organized into cooperatives, with the remainder distributed in individual plots.

The agrarian reform produced some undeniable immediate and long-range benefits. To begin with, it ended the various forms of serfdom that still survived in the sierra. Second, food production increased, though not substantially or to the level

required by Peru’s growing population. Third, according to a 1982 field study of the agrarian reform, it “proved a major economic and political benefit to a significant sector of the peasantry,” at least in the case of cooperatives with an adequate capital endowment. “In such cooperatives, members’ wages and quality of life improved, often dramatically.”

But these gains were offset by the failure of the agrarian reform to improve the general material and political condition of the Peruvian peasantry—a failure stemming from incorrect planning and methods on the part of the well-meaning military reformers. First, the reform was neither as swift nor as thorough as the dimensions of the problem required. Delays in implementing the program and the ruses employed by landowners to evade it meant that a considerable amount of land escaped expropriation. As a result, the reform made only a slight impact on the problem of landlessness and rural unemployment and underemployment, especially in the sierra.

Second, the military reformers lacked a coherent strategy for the general modernization of the agricultural sector within an overall plan of balanced, inwardly directed national development. Basically, they viewed the agricultural sector as a means of pumping out food and capital to promote development in the urban-industrial area. This was reflected in the military government’s food-pricing policy, which aimed to keep food prices low to check inflation and keep the urban working class and middle class content. In the absence of compensating subsidies for small farmers, this policy “served to perpetuate the long-run unfavorable trend of the rural-urban terms of trade.” Within the agricultural sector, the allocation of resources and credit was skewed in favor of the already well endowed and efficient coastal estates producing for export, with the bulk of agricultural investment going into large-scale irrigation projects. The military largely neglected the needs of highland small farmers for small-scale irrigation works, fertilizer, and technical assistance. As a result, the coastal sugar, cotton, and coffee cooperatives tended to become “islands of relative privilege in a sea of peasant poverty and unemployment.”

The same lack of a coherent strategy for the development of the agricultural sector as a whole was reflected in the method of distributing hacienda lands. The land was generally transferred to the workers who had been employed full time on the estates. They alone were eligible to be members of the new cooperatives. This left out the temporary laborers and the neighboring peasant villagers who eked out subsistence livings from tiny plots and small herds of sheep. This often led to serious tension and conflict, with the cooperatives defending their privileges and land against invasions by the *comuneros* (peasant villagers). This pattern of distribution, and the failure to redistribute all the land subject to expropriation, contributed to the continuing flight of campesinos to the coastal cities, where they swelled the ranks of a large unemployed or underemployed population.

Finally, a major flaw of the agrarian reform was that it was a "revolution from above," with little input from below. Despite lip service to participatory ideology, the military technocrats made the final decisions with respect to work conditions, income policy, crop selection, and the like. Because the government's economic policy tended to subordinate peasant interests to the drive for rapid industrial growth, many peasants became disillusioned with the cooperative model. In some cases, particularly after 1975, when the nationalist reformist Velasco wing of the military was ousted from power by a group stressing private enterprise and a free market, the disillusionment led to peasant demands for dismantling the cooperatives and parceling out the land.

After land reform, the nationalization of key foreign-owned natural resources was the most important objective of the junta's program. The junta also targeted domestic monopolies that the military regarded as obstacles to development. When the revolution began, foreign firms controlled the commanding heights of the Peruvian economy. Eight years later, state enterprises had taken over most of these firms. The process began with the nationalization of the IPC, whose assets passed into the control of *Petroperu*, the state-owned oil company. Later, the national telephone system, the railroads

(the Peruvian Corporation), and Peru's international airline came under state ownership. The military government took over the cement, chemical, and paper industries and also nationalized the important fishmeal industry, in which foreigners had invested large amounts of capital. The sugar industry, in large part controlled by the Grace interests, and the cotton industry, dominated by a U.S. firm, Anderson-Clayton, were seized under the agrarian reform law. The 1974 nationalization of the giant U.S.-owned mining complex of Cerro de Pasco gave the state ownership of four thousand concessions and vested control of most copper, lead, and zinc mining and refining in two state companies, *Minoperu* and *Centrominperu*. Nationalization of Marcona Mining in 1975 gave the state control of iron ore and steel. In addition to the takeover of these primarily extractive and manufacturing firms, state companies obtained marketing monopolies of all major commodity exports and most food distribution. Through stock purchases, the government nationalized most of the banking and insurance industries. Thus, the state came to control decisive sectors of the Peruvian economy.

The original intent of the military reformers was not to substitute the state for local private capital but to promote its formation. The military aimed to remove such impediments as the latifundio and foreign monopolistic firms even as it tried to create an industrial infrastructure financed by mineral and agricultural exports. But the radical rhetoric of the nationalistic military only frightened the local bourgeoisie, who were generally satisfied with their technological and financial dependence on foreign capital, and they failed to respond to the incentives for industrial investment. As a result, the government itself had to assume the role of the economy's main investor and by 1972 accounted for more than half the total investment in the economy.

But the cost of this investment, added to the large sums expended for compensation for expropriated estates and foreign enterprises, came very high. Tax reform offered one possibility of mobilizing considerable amounts of previously untouched wealth. Such a move, however, would have antagonized the local bourgeoisie, whom the military

was wooing, and the middle class, who formed its principal mass base. Because of disputes over expropriation, Peru could not apply for loans to the United States and the multinational agencies it controlled. Accordingly, Peru had to turn to foreign private banks. Encouraged by the high price of copper and other Peruvian exports and by the prospect of rich oil strikes in the Amazon Basin, the banks willingly complied with Peru's requests for loans. They lent \$147 million in 1972 and \$734 million in 1973, making Peru the largest borrower among Third World countries in the latter year.

Although women's rights issues clearly were not a priority for the military regime, a new women's movement, led by Virginia Vargas, founder of the Flora Tristán Peruvian Women's Center, nonetheless emerged. These women were very active in grassroots neighborhood organizations, unions, teachers' associations, and social work agencies, which provided experience with collective action and heightened their consciousness of gender-based inequality. Under pressure from this women's movement, the military adopted the eighteenth-century Inca revolutionary leaders, Micaela Bastidas and her husband, Tupac Amaru, as the symbols of their 1974 Plan Inca, which demanded civil and political equality for women, laws against discrimination, affirmative action in public employment, and rural education programs.

The military likewise had not intended to unleash a cultural revolution, but its nationalist ideology mobilized popular political participation and reinforced artistic explorations of the country's indigenous and African roots. This led to a dramatic expansion of popular theater and folk music that challenged criollo cultural hegemony and decisively shaped a radically new multiracial Peruvian national identity. In the early 1970s, for example, Yuyachkani, a politically committed theater group that took its name from a Quechua word meaning "thoughts and memories," sought to organize indigenous workers by touring highland mining communities and performing *Fist of Copper*. This was a play that drew on Spanish and European theatrical traditions to extol the virtues of popular resistance to violent police repression of a miners'

strike. During postperformance discussions, the young urban actors, who aimed to raise the consciousness of their indigenous audiences, instead learned about the long tradition of Andean indigenous theater, which integrated dance, music, puppets, masks, and colorful costumes. These elements were later incorporated into plays that shared with highland peoples the "good news" about the 1969 land reform that gave them the legal authority to fight for their land against the landowners and their hired thugs. They also became very popular in the universities, urban slums, and squatter settlements, where provincianos had migrated in search of jobs.

By early 1975, a new cyclical crisis had begun to ravage the capitalist world. Rising prices for oil and imported equipment and technology, combined with falling prices for Peru's raw material exports, undermined the fragile prosperity that had made President Velasco's reforms possible. These circumstances created unmanageable balance-of-trade and debt service problems. The populist model of development based on export expansion and foreign borrowing had again revealed its inherent contradictions.

The experience of the Peruvian Revolution shows the difficulty of escaping from dependent development without radical structural changes in class and property relationships and income distribution. Like the Mexican Revolution, Peru's experience suggests that the revolution that does not advance risks stagnation and loss of whatever gains have been made. Contemporaneous events in Ecuador reinforced this conclusion.

#### ECUADOR'S MILITARY REVOLUTION

The military also played a prominent role in Ecuador, the smallest of the Andean republics, which experienced the faint beginnings of a social revolution in 1972. A group of nationalist military headed by General Guillermo Rodríguez Lara ousted the aging, demagogic President José María Velasco Ibarra, who had dominated Ecuadorian politics for the previous four decades. Velasco Ibarra had favored a dependent industrialization, shaped by the

Alliance for Progress and based on massive importation of foreign capital and goods. This program rested on the 1964 Agrarian Reform Act, which abolished the *huasipungo*, the country's serflike labor system, and expropriated church lands and inefficient haciendas but also promoted colonization of so-called *tierras baldías*, untitled lands that were mostly occupied by self-sufficient indigenous communities. The discovery of oil in lowland territories in the late 1960s accelerated incursions into indigenous lands and cultural autonomy, even as petroleum production threatened the environment by contaminating surface and underground water supplies. By the early 1970s, foreign interests were as dominant in Ecuador as in Peru and Bolivia; they controlled some 35 percent of all industrial enterprises, nearly 60 percent of all commercial enterprises, and half of all banking assets in Ecuador.

Promising radical land and social reforms, the new nationalistic military junta offered a program of rapid economic development that stressed industrialization and the modernization of agriculture. It also promised to reverse previous official policy that surrendered the country's rich oil resources in the Amazonian lowlands to foreign companies. The new government counted on revenue from oil to finance the planned reforms and program of economic development.

Five years later, however, the Ecuadorian Revolution stalled. Opposition from the still-powerful hacendado class had almost completely paralyzed agrarian and tax reform. There was modest land distribution to peasants, but big landowners still controlled 80 percent of the cultivated area. The military government virtually abandoned land redistribution in favor of cooperation with hacendados to increase production and state revenues through mechanization, greater concentration of land ownership, and the ouster of peasants from the land. The result was growing peasant agitation for true land reform, accompanied by invasions of estates and clashes between peasants and security forces.

Finally, under pressure from foreign oil companies for lower taxes and wider profit margins—a pressure exerted through a boycott on oil

exports—the military regime also retreated from its insistence on tight control over prices, profits, and the volume and rate of oil production. These concessions represented a defeat for nationalist elements in the military junta and sharpened the divisions within it.

In Ecuador, as in other Latin American countries under military control, the late 1970s saw a growing popular movement for social justice and a return to civilian rule. But unlike other countries in the region, groups like the Indigenous People's Organization of Pastaza (OPIP), founded in 1979, increasingly played an influential role in these movements, joining with women's rights activists and trade unionists. In addition to a return to democracy, indigenous leaders demanded that the government recognize their communal land titles, cultural identities, and political autonomy.

Ecuador's military leaders were aware of their economic failures and especially their failure to relieve the dismal poverty and social inequality suffered by the Ecuadorian masses. According to official figures, wage earners' share of national income had declined from 53 percent in 1960 to less than 46 percent in 1973. However, 7 percent of the population received more than 50 percent of the national income. Consequently, the military appeared quite willing to abandon the burden of governing the country. In July 1978, Jaime Roldós, a populist candidate, handily won the ensuing presidential election. During the campaign, the young, energetic Roldós promised to revive agrarian reform and end foreign economic control.

Central to this program was the use of large amounts of Ecuador's oil earnings to modernize agriculture, promote industrialization, and construct a network of roads to expand the internal market. Roldós's five-year plan called for investment of \$800 million in rural development that would bring some 3 million acres of coastal, highland, and Amazonian farmland into new production. He also aimed to accelerate the pace of agrarian reform, targeting almost 2 million acres to be distributed to landless peasants by 1984. Roldós's foreign policy stressed greater independence from the United States, reflected in his maintenance of

friendly relations with Cuba, expansion of diplomatic and commercial ties with socialist countries, and support for Central American revolutionary movements. But Roldós's ambitious reform and development program had hardly begun when he was killed in a plane crash in May 1981.

His successor inherited deteriorating economic conditions as a result of a developing recession and declining prices for Ecuadorian oil. The economic slump sharpened the social problems created by advances in industrialization and the modernization of agriculture. From 1970 to 1980, the proportion of peasants in the population had fallen from 68 percent to 52 percent. The agrarian reform, stressing mechanization and concentration of landownership rather than distribution of land to the landless, had ended semiservile relations in the countryside but aggravated the problem of landlessness and rural unemployment. This swelled the number of rural people fleeing to the cities in a fruitless search for work. By the early 1980s, the great port city of Guayaquil had a population of 1 million; an estimated two-thirds of its inhabitants were unemployed or underemployed and lacked adequate shelter, food, or medical care. Thus, in an atmosphere of economic and political crisis, social problems and tension accumulated with little prospect for solutions.

## **Collapse of Military Corporatism, 1975–1990**

### **THE PERUVIAN REVOLUTION UNDER ATTACK, 1975–1983**

The economic crisis that stalled Ecuador's top-down military revolution also provoked a sharp struggle within Peru's military establishment. Radical nationalists, who proposed to extend the 1968 revolution's social and economic reforms, confronted moderates who called for measures that would win the confidence of native and foreign capitalists, thereby making possible a revival of private investments. In August 1975 a peaceful coup replaced President Velasco with Francisco

Morales Bermúdez, who gradually purged radical nationalists from the government and forced their resignations from the armed forces.

The so-called First Phase of the revolution had ended. To appease foreign and domestic capitalists, the new government introduced a package of severe austerity measures. These included sharp reductions in government investments in state enterprises, steep increases in consumer prices, and a 44 percent devaluation of the currency, only partly offset by 10 to 14 percent wage increases. The government next announced the end of agrarian reform, although only about one-third of the land subject to expropriation had been distributed. In early 1978, after long negotiations, Morales Bermúdez capitulated to the IMF and accepted its conditions for a new loan, including privatization of state enterprises, heavy cuts in budgets and subsidies, large price increases, and severe restraints on wage increases. These measures provoked widespread strikes and rioting, which the government crushed with a full-scale military operation.

For the thoroughly discredited military junta, the prime concern was how to make a smooth transfer of power to a civilian regime that would continue its policies. A new constitution served this function. It established a bicameral Congress, both elected, like the president, for five years. It contained language ensuring that private property and the free market would remain the foundations of the Peruvian economy. The constitution guaranteed the right to strike and collective bargaining, but these were subject to parliamentary regulation. The biggest novelty was the grant of the right to vote to illiterates.

Predictably, Fernando Belaúnde Terry, a master of populist rhetoric who enjoyed an aura of martyrdom thanks to his ouster by the military in 1968, won the 1980 elections. It soon became clear that he intended to continue and extend the "counterreformation" begun by Morales Bermúdez. Export expansion and debt repayment were the great priorities, to be achieved with the familiar arsenal of austerity measures and devaluation, combined with wage freezes.

The Belaúnde government also dismantled the major reforms of the Velasco era. A principal objective was to restore a free market in agricultural land by dissolving the cooperative system. A new agricultural promotion and development law gave the government the power to divide cooperative land into small, individual plots and turn them over to cooperative members, who could buy, sell, or mortgage them. This fostered the reconcentration of land in a few hands.

Other legislation empowered the government to sell off state-owned companies and increase private participation in publicly owned firms through stock issues and other programs. The government proposed to ban general and sympathy strikes, drastically reduce public works spending, and phase out subsidies on basic foods and fuel. These proposals caused bitter wrangling in parliament between the government and the opposition parties, but they caused unprecedented popular protest; for the first time in Peruvian history, all the major labor groups joined in a general strike.

Thus, fifteen years after the military seized power in Peru, the nation again faced a crisis of unprecedented proportions. Its population had doubled between 1960 and 1980, from 10 to 20 million, and its distribution between town and country had changed dramatically. In 1960, 60 percent of the people were rural, but in 1980, 60 percent were urban. Unemployment climbed to new heights; strikes succeeded each other in industry, the railroads, and the banks; and the rural exodus continued to swell the population of the *barriadas* that ringed Lima.

### POPULAR CULTURE AND RESISTANCE

Second-generation provincianos had played a role in many of the urban protests that helped inaugurate the 1968 Peruvian revolution, and they likewise joined this new popular movement to defend its achievements. Unlike their parents, however, they had become more economically independent of criollo society. They had created their own self-help migrant community associations, usually based on their region of origin (e.g., Punoños from

Puno and Ayacuchanos from Ayacucho), joined trade unions, and participated in other grassroots social movements that strengthened their public embrace of indigenous identities. This growing independence of thought and action was clearly reflected in the birth of a new cultural form, a popular urban musical style variously called *cumbia andina* or *chicha* for the corn beer that was the preferred beverage in highland Andean indigenous communities. No longer interested in assimilating criollo values, these sons and daughters of highland migrants increasingly challenged established social hierarchies based on race, ethnicity, and class power.

Chicha music drew on three radically different sources for its creative inspiration: Colombian cumbia rhythms, whose origins lay in Afro-Colombian cultural traditions; folk melodies indigenous to the Andean highlands; and the electric instruments commonly associated with U.S. and British rock-and-roll. Chicha songs typically explored the everyday lives of poor, hard-working urban provincianos. According to ethnomusicologist Thomas Tutino, one of the earliest chicha bands, Los demonios del Mantaro (Mantaro Devils), sold 200,000 copies of “La Chichera,” a song that celebrated the life of a street peddler who sold Andean corn beer. Established criollo critics understandably disparaged chicha as crude, amateurish, “mindless” music, and leftist intellectuals either dismissed its lyrical interest in unrequited love as politically disengaged or criticized it for “internalizing criollo values” by promoting upward mobility.

But young provincianos, often feeling unloved, socially marginalized, out of place, and lacking a clear sense of their own identity, thrilled to its “modern” beat and identified with its lyrical lament about their real-life experiences. In one very popular song, “Ambulante Soy” (“I Am a Street Vendor”), the lead singer of Los Shapis, perhaps the most famous of the chicha bands, bemoaned, “How sad is life, how sad it is to dream” and then proudly announced, “I am a street vendor, I am a proletarian.” Similarly, Grupo Alegría’s “Pequeño Luchador” (“Little Fighter”) described the daily survival struggles of “a small child / Who runs



During the 1980s, migrants from highland communities adapted indigenous musical instruments and folk rhythms to reflect a new urban experience of modernity that they found simultaneously exciting and disturbing. [Alison Wright/Corbis]

through the city / Hawking advertisements that will sell” and then celebrated the heroism of this “Little boy with dirty face / Little fighter / Your hands now know / What it means to work.” Even songs like Los Shapis’s “Somos Estudiantes” (“We Are Students”), which some have criticized for its alleged identification with criollo concerns about “occupational status” and social mobility, clearly stressed the value of professional positions as a means of promoting the development of their communities, not their own personal self-aggrandizement. “We are teachers / For our children,” Los Shapis sang. “Doctors we will be / For the orphans. We are lawyers / Of the poor.”

Chicha music soon outsold all its competitors in Peruvian markets, including internationally

renowned artists like Julio Iglesias and Michael Jackson. Initially performed on street corners and in vacant lots in the *pueblos jóvenes*, chicha artists later regularly played to large crowds in “chichadromes” and provided musical entertainment at community religious festivals, weddings, birthday parties, and other social events. Supported by the progressive indigenista policies of Velasco’s revolutionary nationalist regime, which had made Quechua an official national language and required radio stations to promote authentic local music, they soon dominated national radio broadcasts, claiming almost 40 percent of airtime by the early 1980s. Chicha music also expanded its popularity from the urban centers of its birth to rural highland communities. As the reformist Velasco government

crumbled, chicha artists and their concerts provided young provincianos with useful meeting places to organize popular resistance and promote a return to democracy. Thereafter, they would lend their voice to support reformist state social programs proposed by Aprista and other populist politicians who sought to curry political favor with urban and rural provincianos alike.

### APRA IN POWER, 1985–1990

The Aprista candidate who most benefited from Belaúnde's failure was thirty-six-year-old Alán García Pérez, a disciple of the late Haya de la Torre. García campaigned on a populist, reformist program in 1985, promising to defend the agrarian and industrial reforms of the Velasco era and to reject Belaúnde's free-market policies. In his inaugural address, García proclaimed that henceforth Peru would not deal with the IMF but directly with the creditor banks. He also announced that he would limit interest payments on Peru's foreign debt of about \$14 billion to 10 percent of Peru's export earnings—about \$400 million. "Peru," García declared, "has one overwhelming creditor, its own people." Other parts of his economic program included measures to halt capital exports, freeze the price of necessities, and raise the minimum wage by 50 percent—all measures opposed by the IMF and the foreign financial community.

García's populist effort to restrict foreign debt payments, prohibit the flight of capital, prevent luxury imports, and raise wages formed part of a coherent program to revive the sluggish Peruvian economy. The long-term goal was promoting the development of an autonomous Peruvian capitalism based on expanded import-substitution industrialization and reduced dependence on imported raw materials. The restriction on debt repayments and the controls on foreign trade were designed to make capital available for internal development; the substantial wage increases aimed to expand purchasing power and demand for Peruvian-made goods. But García distinguished his populist policies from the state ownership that had characterized Peru's "military socialism" in the early 1970s.

In a speech marking the anniversary of his first year in office, he reassured private businessmen that, even as he rejected devaluation and new indebtedness as a regression to "the colonial recipes of the IMF," so he rejected nationalization. His path, he said, led to "a strong state redirecting the structure of Peruvian industry toward less import-dependent options."

But economic problems remained. Business resistance to the price freeze produced shortages of consumer items and forced the government to relax price controls, allowing some prices to rise. Moreover, there was a growing gap between the costs of the recovery program and government income from all sources, including export earnings and the savings obtained by limiting debt payments. García had few options. He could try through tax reform to tap the abundant wealth of Peruvian elites, left untouched by the military reformers, but this was an unacceptable solution given the moderate nature of his program. Printing money or a slowdown in economic growth was equally unacceptable. There remained the option of going to foreign banks for loans, but García had ruled out "new indebtedness" as a colonial recipe of the IMF, which had in any case declared him ineligible for new credits.

A major obstacle to the sound, balanced economic growth envisaged by García was the continuing cleavage between the sierra and the coast—the contrast between the poverty of the highlands (largely populated by Quechua- and Aymara-speaking indigenous peasants) and the relative prosperity of the coast. Landlessness and unemployment or underemployment continued to be the burning problems of the sierra. The result was that the highlands became the scene of a struggle between the landless peasantry and the giant cooperatives, often controlled by elite groups of managers, engineers, and bureaucrats.

Into this struggle over land, with all its potential for violence, entered the Maoist *Sendero Luminoso* (Shining Path). This group was repudiated by other left-wing movements, which viewed it as terrorist and mistaken in its effort to polarize Peruvian society into militarists and *senderistas*. For

the most part led by radicalized students and other middle-class individuals, the Sendero Luminoso emerged in May 1980 with a program of terrorist activity against all who supported the existing bourgeois order; it also encouraged peasants to invade, occupy, and loot cooperatives. The García government responded to this threat by continuing Belaúnde's counterinsurgency campaign, which had placed nineteen of Peru's twenty-three provinces under a state of emergency with the military in overall control and suspended most civil rights. García justified this action, claiming that Sendero Luminoso had killed thousands of officials, police, members of other security forces, and uncooperative peasants. However, church authorities and other independent observers asserted that the security forces had themselves committed many repressive acts and that many killings of peasants ascribed to Sendero guerrillas were the work of these forces.

As his term of office drew to an end, a balance sheet of García's record in power pointed to some positive initiatives and accomplishments, including his decision to limit debt interest payments to a certain proportion of export proceeds, thereby making more funds available for development purposes. García's debt strategy marked an advance over that of the military reformers, but it was not enough. Peru needed a program of structural economic and social change. It had to create a self-sufficient industrial base that would lessen dependency on foreign imports and capital, but it also needed a more thoroughgoing agrarian reform that would attack the age-old problem of Andean poverty and backwardness. Finally, it required reforms that would eliminate the need for food imports, expand the domestic market, and reduce the immense inequities in income distribution.

But these changes were not made. As a result, by 1987, García's project for creating an autonomous Peruvian capitalism ran out of steam; the country had a serious trade deficit, its foreign reserves were declining, and the business class, despite generous incentives from the government, refused to increase its investments. From 1988 to 1989 the per capita gross domestic product

declined by 20 percent, the biggest decline in the region. As if the economic crisis were not enough, the war with the Maoist Sendero Luminoso movement grew more intense. Moreover, the indigenous struggle to reclaim ancestral lands led to a wave of *tomas de tierras* (land invasions) that produced a new militancy among peasant leaders and fueled the rural rebellion.

Amid the economic gloom, Peru's illicit coca trade ironically provided the only light and cheer. In Peru, as in Bolivia, the jobs and dollars generated by the coca boom cushioned the impact of a devastating economic crisis. With opportunities for employment in the legal economy shrinking, thousands of migrants joined the "white gold rush" to the Upper Huallaga Valley, the heart of Peru's coca empire. The coca, processed into a white paste, was sold to Colombian dealers, who pocketed most of the profits. But Peru's share came to about \$1.2 billion annually, roughly 30 percent of the value of all Peru's legal exports. Without these illicit dollars, according to one Peruvian economist, the exchange rate would have nearly doubled, making vitally needed imports much more expensive. Like Paz in Bolivia, García liberalized Central Bank rules to permit the purchase of coca dollars, no questions asked.

With APRA and the military disgraced by García's economic fiasco and failure to end the civil war, the 1990 presidential elections became the site of a new contest between neoliberal free-market philosophy and the vague electoral populism of an obscure agronomist, Alberto Fujimori. The son of poor Japanese immigrants, Fujimori insisted that the State's primary obligation was to satisfy people's basic needs before attempting any economic adjustment program. Surprising most political pundits, Fujimori's populist crusade solidified his base and attracted leftist support, thereby ensuring his electoral triumph.

Clearly, the historical record of Andean military corporatism in promoting authentic national development was ambiguous at best. However, even as the Andean republics had begun experimenting with military corporatism to solve the postwar crisis of populism, another new strategy

of national development was unfolding in Chile. Eschewing the violence of the Cuban revolution and the hierarchical authority of Andean military corporatism, Chileans opted for a broad-based, popular, participatory, and democratic path to development.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Chile: The Democratic Socialist Alternative

## FOCUS QUESTIONS

- What role did copper and nitrates play in the economic, political, and social history of Chile?
- How were women affected by Chile's twentieth-century economic changes, and how did they affect Chilean politics?
- What were the origins of populism in Chile, and what role did the state play in shaping national development?
- What were the foundations upon which populism in Chile rested, and how did this limit its capacity for promoting national development?
- How did the Popular Unity government aim to transcend the limits of populism, what were its major policy objectives, and what were its successes and failures?
- What role did the United States play in the overthrow of the democratically elected Allende regime?

**F**OR A CENTURY AND A HALF, Chile had set a relatively high standard of political behavior on a continent notorious for its turmoil and dictatorships. Compared to its neighbors, Peru, Bolivia, and Argentina, Chile had been a model of domestic tranquility. Chilean democracy appeared so firmly rooted that it permitted the election and installation of a Marxist head of state, President Salvador Allende Gossens, in 1970. In the regional struggle to overcome the limits of populism and promote a revolutionary national development, Chile seemed to offer a peaceful, democratic model that sharply contrasted with Cuba's armed socialist revolution and the Andean area's "military socialism." Only three years later, however, amid growing economic and political chaos, military rebels violently overthrew Chile's legitimate government and established a terrorist state that ruled through brutal oppression.

How could Chile maintain its parliamentary democracy so long when the rest of Latin America could not? Why, after almost a hundred and fifty years of respect for parliamentary democracy, did it crumble so swiftly? In retrospect, the bounds of Chilean democracy were narrowly drawn; the elite and its foreign collaborators never allowed political freedom or the practice of politics to endanger their basic interests. Instead of seeking to solve the nation's desperate economic and social problems, successive governments merely evaded them by endorsing populist reforms financed by high export prices or foreign loans. When, finally, a coalition government headed by Chile's working-class parties came to power in 1970 and inaugurated structural changes that threatened oligarchical privilege, the elite responded by calling in the army, abolishing parliamentary democracy, and establishing a bloody dictatorship.

## Foreign Dependency and the Liberal Parliamentary Republic, 1891–1920

The defeat and suicide of President José Manuel Balmaceda during the civil war of 1891 ushered in an era of unrestrained foreign investment and export-dependent trade, presided over by the so-called Parliamentary Republic, dominated by the Liberal and Conservative political parties, which represented the great landowners of the Central Valley.

A third major party, the Radicals, founded in 1861 by dissident Liberals, enjoyed the support of low-level professionals, bureaucrats, teachers, artisans, and other middle-class groups, as well as that of large landowners on the southern frontier around Concepción, northern mine owners from the Copiapó region, and businessmen from Santiago, the capital. A fourth party, the Democrats, had some base in the lower-middle class and among workers.

The only issue that separated the major parties was the role of the church in education. The chief concerns of the parties appeared to be the preservation of the status quo and the distribution of the spoils of office. Corruption and inefficiency pervaded the political life of the era.

### ECONOMIC GROWTH AND THE EXPORT SECTOR

While politics stagnated in an atmosphere of fraud and apathy, Chilean society underwent a profound transformation. The export sector played a crucial and basically detrimental role in this transformation. Raw material exports generated enormous profits, but relatively few benefits flowed to the nation as a whole. Like the “banana republics” of Central America and the sugar islands of the Caribbean, Chile relied for its revenues on one export commodity, first nitrate and then copper, making it extremely vulnerable to cyclical world market demands for its products. Moreover, the copper industry, which produced the nation’s major export in the twentieth century, was operated as an

enclave, almost totally isolated from the rest of the economy. Finally, and most important, the presence of an export sector that produced sufficient revenue to operate the government and provide employment for a growing middle class enabled the Chilean oligarchy to retain political power and maintain an obsolete system of land tenure and use; these conditions severely hampered the growth of democracy and economic development.

Nonetheless, the nation grew increasingly urbanized and industrialized, and new classes emerged from these processes. An industrial working class rose in the mining regions of the north, first in the nitrate fields and then in the copper mines. Although their wages were higher than elsewhere in the country, the miners suffered from low pay, inadequate housing, the tyranny of company stores, and unsafe working conditions. In the cities, where wages were even lower, workers lived in wretched slums and were periodically battered by epidemic disease.

After the turn of the century, workers struggled against these dismal conditions. The first major strike broke out in Iquique in the northern mining region in 1901 and lasted for two months. In 1907 the nitrate workers of Iquique again struck against inhuman living and working conditions; the government responded by sending in troops who slaughtered two thousand workers. The wave of strikes continued, with a notable upsurge during World War I. After the war, a cheaper synthetic product displaced Chilean nitrates in world markets and the industry collapsed, leaving thousands of miners unemployed and plunging the entire country into a severe depression. In 1919, faced with growing unrest, the government declared a state of siege (suspending civil liberties) in the mining areas.

Copper soon became Chile’s leading export. Initially small-scale, low-technology operations had mined most of Chile’s copper, but shortly after 1900, a downturn in copper prices had forced many of these producers to close. At the same time, the introduction of improved methods for the extraction of low-grade ore and the lower transportation costs promised by the opening of the Panama

Canal attracted large North American companies, which dominated the industry after World War I. The Guggenheim interests and Anaconda Copper Co. now accounted for more than 80 percent of the nation's copper production. Foreigners also controlled Chile's other mineral exports: Bethlehem Steel monopolized iron ore and Guggenheim's *Compañía de Salitres de Chile* (COSACH) held 70 percent of the nitrate industry.

Labor had meantime begun to organize in the effort to achieve better conditions. Luis Emilio Recabarren played a leading part in establishing the Workers' Federation of Chile (*Federación de Obreros de Chile*, or FOCH) in 1909. Three years later he founded the first workers' party, the Socialist, or Socialist Labor, Party. In 1922 it became the Communist Party and joined the Third (Communist) International. By contrast with the Argentine Socialist Party, with its large middle-class base, Chile's first working-class party grew directly out of the labor movement.

In the same period, the middle class became larger and more diverse. The growth of industry and commerce and the expansion of the state created many new white-collar jobs. This growing middle class displayed few of the entrepreneurial traits commonly associated with the North American and European middle classes. The domination of decisive sectors of the economy by large-scale enterprise effectively barred small and medium-size entrepreneurs from playing an important role in economic life. Aristocratic control of choice government jobs through clientele and kinship ties also restricted the sphere of middle-class activity. As the twentieth century opened, the middle class began to agitate for a place in the sun.

Meanwhile, the composition of the oligarchy was also changing, for it began to incorporate new elements from among industrialists and businessmen. More completely than elsewhere in Latin America, the Chilean landed elite fused with the new urban upper and upper-middle classes. They intermarried, and the urban rich acquired land, adopting the values of the traditional elite. This was a serious impediment to reform. Missing in Chile, too, were the large number of immigrants

that in some measure had challenged the values and hegemony of the elite in Argentina.

### WOMEN AND THE WORKPLACE

The lack of immigrants also meant there was only a limited supply of native-born Chilean workers to satisfy growing industrial and agricultural needs. But market demand for cheap labor quickly broke down the gendered walls of work and family; in addition to their unpaid labor in the household, women played an increasingly important role as wage-earning workers in the Chilean economy. By 1913, 21 percent of the labor force was women, almost all of whom were native-born and employed in blue-collar occupations; three years later, this figure rose rapidly to 26 percent. Most women worked in "*trabajo a domicilio*," sweatshops in which they performed household chores like sewing and weaving for piece-rate wages. In a report on working conditions in the industry, Elena Caffarena showed that these workshops were "neither hygienic nor safe" and paid miserably low wages. This also inevitably damaged women's reproductive capacity; not surprisingly, child mortality rose from an average of 273 infant deaths per thousand in 1871 to 325 in 1908. To remedy this, Caffarena and other feminists advocated "strong government regulation" to abolish the sweatshop system and "female exploitation."

Ironically, they drew on traditional gendered ideals of womanhood and the family to lay the foundation for Chile's modern feminist movement. Needleworker and feminist leader Esther Valdés de Díaz, for example, denounced the "wolves" who waited to seduce women, made vulnerable by long hours of work and constant verbal abuse on the shop floor, and she argued the need for a paternalistic state to protect them. Like many working-class feminists, she stressed the class oppression of capitalism rather than the gendered tyranny of patriarchy. "Women who work in factories, pushed by the need to earn their daily bread, not only are not in their place, but, without knowing it, are competing with men and, in so doing, becoming victims of capitalism." Women, she believed, unconsciously



The origins of Chile's paternalistic early-twentieth-century populism lay in the private efforts of largely foreign-owned mining companies like Braden Copper, whose El Teniente Mine organized a social welfare office that effectively sought to discipline and control militant working-class resistance. [Bettmann/Corbis]

and unavoidably contributed to the “devaluation of men’s work.”

But for these feminists, this lamentable state of affairs could be remedied only by an aggressive, activist state that defended women and workers against the predatory interests of capitalists. So they mobilized to pressure Chile’s political leadership to regulate sweatshops; enforce minimum-wage protections for women and children; establish the legal right to equal pay for equal work; restrict women’s workweek to six eight-hour days; prohibit work by children under fourteen years of age; abolish night work for women; require companies to provide partially paid pre- and postpartum leaves for pregnant women; compel industries employing more than twenty women to provide on-site child-care facilities; and allow nursing mothers periodic breaks to feed their children.

### **Alessandri and the Rise of Populism, 1920–1970**

By 1920 even sections of the oligarchy were aware that they could no longer ignore the needs of the rest of Chilean society. Foreign interests like the Braden Copper Company actively contributed to this expanded social consciousness. According to Braden, a sturdy nuclear family could stabilize labor turnover; decrease such antisocial behavior as gambling, drinking, and fighting; deter absenteeism and the celebration of “*San Lunes*” (Saint Monday), the unofficial international workers’ holiday; and discourage militant trade unionism that frequently led to strikes, industrial sabotage, and worker slowdowns—all of which reduced labor productivity. Braden therefore had developed a comprehensive private social welfare program to encourage

family life, but workers typically opposed these paternalistic policies, which were transparently designed to control their labor; for example, they scorned the company's *Departamento de Bienestar* (Department of Welfare) as the *Departamento de Bienfregar* (Department of Busybodies).

However, state welfare programs enjoyed a social legitimacy that a company's private plan did not. Moreover, public welfare was an effective means of socializing private costs and thus increasing the competitive advantage of large companies over smaller businesses that routinely ignored workers' welfare. Finally, these state-sponsored programs also appealed to middle-class progressives who sought to "moralize" working-class culture and to radicals who sought to cultivate a "proletarian morality" that discouraged workers' fractious individualism and encouraged a politically disciplined, class-based solidarity. The stage was set for a populist reform program that would appeal to diverse political constituencies, and Arturo Alessandri, nicknamed the "Lion of Tarapacá," became its agent.

A former corporation lawyer turned populist politician, Alessandri appealed to the lower and middle classes with promises to reform the constitution and relieve the bleakness of working-class life. He promised a social security system, a labor code, cheap housing, educational reform, women's rights, and state control of banks and insurance companies. With considerable support from sections of the oligarchy, which hoped that he could placate the restless masses with a minimum of effective social change, Alessandri became president in 1920.

During the first four years of Alessandri's term, he proved unable to make good his campaign pledges. Congress, representing entrenched oligarchical interests, stood squarely in the way of any meaningful social and political reforms. Accordingly, Alessandri urged the passage of laws that would restore the balance of power between Congress and the executive branch, a balance destroyed after the civil war of 1891. He also sought such social reforms as a shorter workday, labor laws to protect women and children, the right of work-

ers to strike, and health insurance. These modest proposals certainly did not threaten the status quo, but they would require money. In view of the catastrophic decline of the nitrate industry, this money could be raised only by taxing the oligarchy's land and income, a solution the elite found unthinkable. As a result of the parliamentary deadlock, the Chilean government could not cope with the mounting economic and social crisis.

The Chilean military, predominantly of middle-class origins, had observed the unfolding crisis with growing impatience and resentment. Many junior and middle-grade officers favored the enactment of Alessandri's social and political reform program; they also felt that Congress had neglected the needs of the armed forces. A succession of military coups, the last of which was led by reformist officers Carlos Ibáñez del Campo and Marmaduke Grove, ultimately enabled Alessandri to accomplish the political reforms for which he had campaigned. The result was the constitution of 1925, which ended the Parliamentary Republic and restored the balance of power between Congress and the president. It provided that the president would be elected by direct vote, serve a six-year term, be ineligible for immediate reelection, and have control over his cabinet and government finance. The constitution proclaimed the inviolable right of private property but stated that this right could be limited in the interest of social needs. Other measures included a new and extensive labor code, the grant of the vote to literate males over twenty-one, the establishment of an electoral registry to reduce electoral fraud, a nominal income tax on income over ten thousand pesos a year, and the establishment of a central bank.

#### IBÁÑEZ AND THE GREAT DEPRESSION

But Ibáñez and the military remained powerful. Initially, they sought an alliance with the working and middle classes for the achievement of structural reforms, but this ended in the military dictatorship of 1927 to 1931.

To implement his program and secure the position of state employees, which was necessary

to maintain political stability, Ibáñez needed substantial amounts of money; his populist program of welfare, public works, and modernization was based above all on huge loans from foreign bankers. The armed forces were a special beneficiary of government largesse, obtaining generous promotions and salary increases. Most of the protective legislation for which women had lobbied during the previous decade was enacted. Meanwhile, all opposition was suppressed, political foes were jailed or deported, and efforts were made to split the Communist-led labor movement by the sponsorship of government-backed unions.

Aided by a temporary revival of copper and nitrate sales and massive foreign loans, the Chilean economy prospered for the first two years of Ibáñez's rule. But the Wall Street crash of 1929 unmasked Chile's dependency on external markets. It cut off the all-important flow of capital and loans, and by the following year, the nitrate and copper markets had both collapsed. Because the government relied heavily on copper taxes for revenue, the Depression forced it to curtail daily operations severely and default on its large foreign debt. In 1932, the United States, Chile's main market for copper, adopted a high tariff on copper imports, which caused mine closings and severe unemployment. The Depression also accentuated gender-based wage inequities and unleashed a backlash against women in the work force. Government supporters called for women's return to the home to stabilize the family and reduce job competition among men, thereby increasing male wages and employment. Although the Socialists and Communists advocated elimination of gendered wage inequalities so all workers could unite against capitalists on the basis of their shared class interest, they nonetheless agreed to identify certain industries, like copper and teaching, as exclusively male and female. In a vain effort to find a solution for the economic crisis, the government tried to limit nitrate sales to push up prices. Ibáñez trimmed social services and his public works program and hiked taxes, but the financial situation grew increasingly desperate.

In July 1931, confronted by a general strike that involved not only workers but professionals, white-collar employees, women, and students, and

faced with growing doubts about the army's loyalty to him, Ibáñez resigned and went into exile in Argentina. The next seventeen months brought a succession of military coups, one of which, led by Air Force Commander Marmaduke Grove, proclaimed a Socialist Republic of Chile. It lasted barely twelve days before a new military revolt overthrew it. Ironically, the program of the socialist republic was not socialist; it proposed, rather, to create jobs through public works financed by the issue of paper money. This coup led to Arturo Alessandri's return to the presidency.

#### ALESSANDRI AND THE LIMITS OF POPULISM

Alessandri began his second term in the depths of the Depression, with 160,000 people unemployed in Santiago alone, while a typhoid epidemic ravaged the country. Income from nitrates was one-twentieth the 1927 figure; public employees, including soldiers and policemen, had not been paid for months. In the succeeding five years, 1932 to 1937, the president and his finance minister, Gustavo Ross, presided over an economic recovery that reflected a partial revival and stabilization of the world market. Copper prices recovered in 1935, and by 1937 copper production exceeded pre-Depression levels. As the economy revived, government revenues generated from copper taxes enabled the government to avoid taxing large landholdings. Without the spur of equitable taxes, latifundists continued to leave vast tracts of fertile land uncultivated or underutilized. Although it had the potential to feed its own people, Chile had to import foodstuffs—a policy that drained the nation of foreign exchange that would have been better used to purchase capital goods for industrialization or to build roads and harbors.

With its coffers swelled by revenue from the export sector, the Chilean government expanded its role in the economy. A large bureaucracy developed, staffed by an emerging middle class. As the government became the major employer of the middle class and the nation's most important venture capitalist, Chile grew ever more dependent for its economic development on factors beyond its control.



In the 1930s, Chile's Women's Liberation Movement (MEMCH) mobilized thousands of women and influenced populist policies with a demand that the state guarantee women's right to equality in the home, in the workplace, and in politics. [Photograph courtesy of Professor Asunción Lavrín]

But Alessandri had no greater success in solving Chile's structural problems in the 1930s than he had in the 1920s. Foreign capital still controlled the lucrative mining sector of the economy, and the inefficient latifundio continued to dominate Chilean agriculture. Workers' strikes for better wages and living conditions were often brutally suppressed.

Middle-class critics of the regime fared little better. Following the example of Ibáñez, Alessandri closed down hostile newspapers, exiled political critics, and dealt highhandedly with Congress. These conditions produced a major new effort to mobilize workers, peasants, and the urban middle sector to defend democracy and promote social

progress. This effort was called the Chilean Popular Front.

#### WOMEN AND THE RISE OF THE POPULAR FRONT

During the 1920s, Chile's progressive tradition had its roots in the Communist Party. The Communists won considerable support among organized labor, particularly the railroad workers' union and the Confederation of Chilean Workers (FOCH), which claimed two hundred thousand members. Although they had played a part in framing the constitution of 1925, Communist leaders were imprisoned and exiled during the Ibáñez regime. After the fall of Ibáñez in 1931, however, the party revived under the leadership of Carlos Contreras Larbarca and gained considerable popularity among workers and intellectuals.

Chile in the 1930s was fertile ground for the growth of progressive parties and ideologies, many of which coalesced to form the Chilean Popular Front. Composed of Socialists, Communists, and Radicals, the Front's candidate, Radical Pedro Aguirre Cerda, won the presidency in 1938. The Popular Front's electoral platform called for the restoration of constitutional rule and civil liberties and basic social reforms, summed up in the slogan *pan, techo, y abrigo* (bread, clothing, and a roof).

The short, stormy life of the Popular Front yielded some achievements. In 1938 the State Development Agency, CORFO, was formed to foster industrialization. Aided by relatively high wartime copper prices, a virtual cessation of imports as a result of World War II, and governmental subsidies, low taxes, and protective tariffs on imported consumer goods, native manufacturing made steady progress between 1940 and 1945.

The populist policy of state-supported industrialization also promoted the growth of the Chilean industrial working class; between 1940 and 1952, the number of workers employed in manufacturing rose from 15 percent of the work force to 19 percent. The industrialization process was accompanied, at least until 1945, by improvement in workers' real purchasing power—up 20 percent between 1940 and 1945—whereas that of white-collar workers increased 25 percent. After 1945,

as Radical administrations moved to the right and the basis of the Popular Front strategy disintegrated, the working class's relative share of the national income declined.

Women also were active both as workers and mothers, but increasingly they insisted that they would need more than the "aura of dignity and respect, but should also receive the aid of the state when economic conditions demand it." For many women in the 1930s, this meant state protections against exploitation, prenatal health care, and subsidies for child care. But feminists like Clara de la Luz also wanted support for family planning. She defended "scientific procreation"—that is, birth control—and called on women to organize a "strike of the wombs" to liberate themselves from unwanted family responsibilities that increased the supply of new workers for industry and agriculture, lowered workers' wages, and reduced their freedom to resist capitalist exploitation. Others criticized the moral and legal double standard that gave "men impunity and women responsibility" in reproductive matters.

Although Chile's Catholic traditions made abortion illegal, it was widely practiced by midwives and amateurs. In 1936 five hospitals identified 10,514 cases of botched abortions that required medical attention; the following year, the Ministry of Health reported that 24 percent (13,351) of women in public maternity hospitals were there to be treated for complications from bungled abortions. Growing numbers of women, especially poor working-class women, viewed abortion, contraception, and family planning as one way to escape what the leftist Women's Liberation Movement (MEMCH) called "compulsory motherhood" and the "slavery of unwanted children."

Women also won basic political and civil rights. Conservatives, influenced by upper-class women's groups like the Club de Señoras, historically had supported enfranchisement of literate women because they believed that, as guardians of home, church, and family life, they were a natural conservative constituency necessary to counter the political advantages accruing to Socialist, Communist, and Radical Parties from the enfranchisement of illiterate men. Meanwhile, MEMCH

insisted on the "integral emancipation of women, especially the economic, juridical, biological, and political emancipation." All pressed for civil equality and the right to vote, a campaign that achieved partial success in 1934 with the granting of municipal voting rights to literate women.

Local leftist parties failed to offer women candidates for municipal posts, preferring to emphasize class struggle while ignoring gender difference. This created an electoral void that conservatives filled by offering women candidates like Elena Doll de Díaz, whose populist campaign defended the moral center of family life and called for an aggressive program of state intervention to protect it against the injustice of market forces: workers' welfare, equal wages, sanitation, "popular restaurants" to feed the hungry, and electric trolleys to provide workers with cheap transportation. Not surprisingly, by 1941 two-thirds of the women registered to vote identified themselves as Conservatives; thereafter, the Popular Front coalition fractured, and party leaders abandoned any interest in woman suffrage.

World War II decisively reinforced the politics of the Popular Front and reignited the campaign for women's right to vote in national elections. Wartime alliances with the Soviet Union, a growing democratic discourse, and the decline of anti-imperialist rhetoric within the Chilean left contributed to the emergence of a cross-class, gender-based movement in support of women's suffrage. The Chilean Federation of Feminine Institutions (FECHIF), for example, which represented 213 women's organizations, mobilized massive street demonstrations that attracted thousands of women to its militant calls for "social democracy."

Although freed from traditional external constraints during the war, the Popular Front era produced no structural changes in the Chilean economy or society because the members of the governing coalition had irreconcilable differences over domestic and foreign policy. In the 1946 election, the Socialists, reflecting historic factional disputes within the party, abandoned the Popular Front, but Radical Gabriel González Videla (1946–1952) won with the support of the Communist Party. Soon, responding to the pressures of the cold

war, González Videla moved to the right, ousted the Communist members of his cabinet, broke a strike of Communist-led coal miners, and passed the *Ley Maldita* (the Accursed Law), which outlawed the Communist Party and eliminated Communists from Congress. González Videla also established a concentration camp for Communist Party members and other left-wing militants in an abandoned mining camp in the northern desert.

With the repression and disenfranchisement of Communists like Elena Caffarena, who had written the women's suffrage legislation and organized on behalf of women's rights for decades, González Videla finally signed into law a 1949 bill to give literate women the vote in national elections. Thereafter, he tried to consolidate his political support among working-class women by organizing Women's Centers to provide education, training, and career services.

But massive discontent with skyrocketing inflation, the freezing of workers' wages, and González Videla's repressive policies paved the way for a comeback by the old ex-dictator Carlos Ibáñez del Campo in 1952. Ibáñez promised repeal of the *Ley Maldita*, a minimum salary, a family allowance for workers, and a sympathetic hearing for just wage demands. But the decline in Chilean copper revenues following the end of the Korean war made it impossible for Ibáñez to make good on his populist promises. To stabilize the economy he sought loans from North American banks and the International Monetary Fund; meanwhile, he sought to force the working class to absorb inflation through cuts in real wages. Threatened with labor unrest, Ibáñez embarked on a course of harsh repression. By the end of his term, he had alienated all sectors of the Chilean people.

#### **NEW ALIGNMENTS: CHRISTIAN DEMOCRACY AND POPULISM**

Between 1953 and the presidential election year of 1958, the parties of the left restored their unity by forming the *Frente de Acción Popular* (Popular Action Front, or FRAP), which included the Socialist Party and the Communists. Simultaneously, a new Christian Democratic Party emerged, led by

Eduardo Frei; it appealed to Catholic workers, especially white-collar sectors, with a vague ideology that claimed to be neither capitalist nor socialist. In its first try for office in 1958, this party demonstrated its electoral force.

Four major candidates contested the presidency in 1958. They were the Conservative Jorge Alessandri, a son of the former president and a leading industrialist; Eduardo Frei, a Christian Democrat; Salvador Allende, of FRAP; and Luis Bossay, a Radical. Surprisingly, Alessandri beat Allende by a threadbare margin of only 33,500 votes. Allende would probably have won if an obscure minor-party candidate had not drawn away some slum and rural poor votes.

Despite booming copper prices, however, Alessandri had no more success than his predecessors in coping with Chile's problems of inflation and economic stagnation. His formula for recovery was to restore the free market, reduce state intervention in the economy, and employ foreign loans and investment as the basis for economic growth.

Although depression and war had slowed the inflow, foreign capital now surged into Chile in the postwar period, not only into the extractive sector but into manufacturing and commerce as well. From 1954 to 1970, foreigners invested \$1.67 billion in Chile. U.S. companies continued to dominate copper, nitrate, and iodine production. Foreign companies conducted approximately half the nation's wholesale trade, monopolized the telephone and telegraph industries, and had important stakes in electric utilities and banking. Even the major advertising agencies were foreign subsidiaries or affiliates.

In 1960 the three great mines of the Gran Minería, all owned by the foreign giants Anaconda and Kennecott, accounted for 11 percent of the country's gross national product, 50 percent of its exports, and 20 percent of government revenues. But the millions of dollars in sales, profits, and tax revenues generated by copper mining provided little stimulus for Chilean commerce and industry. Their huge profits, which they remitted to their parent corporations in the United States, added to the outflow of capital from the country.

Chile depended not only on direct investment from abroad but on loans as well. Payment of interest and amortization on the national debt consumed an increasing share of its revenue from the export sector. Because most foreign investment, like the copper enclave, was capital-intensive, it provided little employment and few linkages to the rest of the economy. Employment in the mines declined steadily in the post-World War II era, and the surplus of miners made it possible for the companies to pay the largely unskilled labor force relatively low wages. Until the 1950s, machinery, equipment, and technical skills were imported entirely from abroad. The benefits to Chile's long-range economic development were minimal. Without a doubt, Chile was not the master of its own economic fate.

Politics in Chile during the early 1960s was profoundly affected by changes in U.S. policy in response to the Cuban Revolution (1959). The United States sought to bolster populist reform movements throughout Latin America as an alternative to social revolution. As part of this policy, it covertly financed the Christian Democrats. Combined with the backing of the conservative parties, which were badly scarred by Allende's near-election six years earlier, U.S. support enabled Frei to win the 1964 election with 56 percent of the vote.

Eduardo Frei came to the presidency with populist promises of a "revolution in freedom" that would correct the extreme inequities of Chilean society without a violent class struggle. He especially appealed to women to preserve the sanctity of the Catholic family against Allende's "godless communist revolution" and opened 6,000 Women's Centers. The problems he faced were familiar ones: inflation and stagnation, a domestic market too narrow to support an efficient mass industry, an extractive industry dominated by foreign ownership, and inefficient agriculture incapable of supplying the basic needs of the population. To create the market needed for a modern mass industry, Frei proposed agrarian reform, tax reform, and other populist measures to redistribute income to the lower classes.

When Frei took office, there was an extreme concentration of landownership, the condition of

rural laborers was wretched, and the inefficient great landed estates were clearly incapable of providing enough food to feed Chile's growing urban centers. By contrast with the situation in most underdeveloped nations, Chile's agricultural sector played only a small role in the economy. The inability of agriculture to provide employment, on the one hand, and sufficient food, on the other, resulted in an overurbanized, underemployed, and undernourished population.

The statistics of landholding indicate that there was little change in these patterns between 1930 and 1970. In 1930 holdings of over 2,500 acres composed only 2 percent of the total number of farms but constituted 78 percent of the cultivable land. Eighty-two percent of all farms were under 125 acres but owned only 4 percent of the land. By the 1960s, 11,000 farms, 4.2 percent of the total, controlled 79 percent of the land. Farms under 100 acres—77 percent of all farms—held 10.6 percent of the land. Over 700,000 people, the majority of the rural labor force, had no land at all. The living and working conditions of agricultural laborers were appalling—and getting worse. Agricultural wages had consistently declined since the 1940s, falling 23 percent from 1953 to 1964.

Government credit and tax policies before 1964 ensured that the maldistribution of land and agricultural income would continue. Small landholders, having no access to bank or government loans, had to rely on moneylenders or store owners, who charged outrageous interest. Smallholders and agricultural laborers also bore a disproportionate burden of taxes. Taxes on land, capital, income, and inheritance, on the other hand, were light. The large estates, especially those that were not farmed, went virtually untaxed.

Frei's program of agrarian reform had mixed results. He began by attempting to improve conditions in rural areas by increasing wages, establishing peasant unions, and instituting a more equitable system of taxation; he also redistributed some land to the peasants, but inflation eroded wage gains, and land redistribution fell far short of what was promised. As a gradualist, Frei shied away from precipitous or widespread expropriations. Peasants who received land faced a difficult

time, for the government did not provide them with credit needed to start off as independent farmers.

Frei's plan for the Chileanization of the copper industry was designed both to appease widespread nationalist sentiment and to obtain new government revenue through increased copper production. The plan required the government to buy 51 percent of the shares in the foreign-owned mines. In return for a promise to increase production and refine more ore in Chile, the foreign companies retained control of management and obtained new concessions with respect to taxation and repatriation of profits. But the plan failed to expand production significantly or to increase government revenues.

Other sectors of the Chilean economy also were concentrated. A few powerful clans controlled a wide variety of industrial and financial enterprises and thus exerted a decisive influence on the national economy as a whole. In 1967, 12 companies out of 2,600 transacted nearly half the total wholesale business in the country. One bank, Banco de Chile, furnished 32 percent of the nation's private bank credit; the five largest banks furnished 57.4 percent.

These facts, however, tell only part of the story, for control of the economy was even more concentrated. Fifteen large economic groups controlled the Chilean economy. The most powerful of the clans, the Edwards family, controlled one commercial bank, seven financial and investment corporations, five insurance companies, thirteen industries, and two publishing houses and was closely associated with North American companies active in the country. The family's newspaper chain accounted for over half the circulation of daily newspapers in Chile; together with another publishing house, it virtually controlled the entire market for periodicals.

As early as 1965, concerted opposition from this economic oligarchy convinced Frei to abandon his populist campaign promise to redistribute income, and instead he implemented an economic policy designed to attract foreign and domestic investors. During 1966 the government froze wages and reacted harshly to strikes in the copper mines,

at one point sending in troops. Increased worker militancy made Socialist and Communist union leadership more influential.

The need to appease his political constituency and the economic decline after 1966 defeated Frei's efforts at reform. Upper-class Catholic intellectuals had founded and provided the leadership of the Christian Democratic Party. Its membership was overwhelmingly middle class, including urban professionals, white-collar workers—especially from the public sector—skilled workers, and managers, all groups that had emerged during the preceding two decades as the Chilean economy diversified. The party did well in the larger towns, among urban slum dwellers, and among women. In 1964, Frei got considerable support from industrialists and bankers who feared the election of Allende. These were hardly the elements of a revolutionary party. Frei's program of reform depended entirely on a healthy, expanding economy that would enable the government to distribute benefits to the lower class without injuring the middle class or altering the basic economic and social structures.

When Frei came to office in 1964, the economy was expanding rapidly, for the Vietnam War kept copper prices high. Frei's moderate reform goals ensured good relations with the United States and a resulting flow of loans and private investment. Even Chile's chronic inflation slowed. Two good years, however, were followed by four bad ones. After 1967 the economy stagnated while inflation surged again. Income inequalities increased, and living standards declined sharply. Frei's rhetoric brought hope to Chileans, but he fulfilled few of his promises. During his term, the working class grew increasingly restive. Groups like *pobladores* (urban slum dwellers) and rural workers organized for the first time. As the Christian Democrats proved less and less capable of dealing with Chile's economic woes, these newly organized groups and the trade unions moved further to the left.

This transformation of Chilean politics was both reflected in and shaped by powerful cultural changes, the most significant of which was the birth of *Nueva Canción*, the New Song movement. First developed in Peronist Argentina, the New Song movement utilized indigenous musical

instruments and typically explored folkloric lyrical themes. But in Chile and elsewhere throughout Latin America in the 1960s, it quickly became associated with revolution and the democratic struggle against poverty, social injustice, and tyranny. Violeta Parra, the daughter of a schoolteacher and seamstress in Chile's rural south, had pioneered the study of the nation's folkloric art and music in the 1950s. Her ballads, like her paintings and colorful *arpilleras* (tapestries), typically commemorated the struggles of poor folk and condemned the wealthy *pitucos* who profited from their exploitation.

Parra's work made an indelible impression on a young Víctor Jara, arguably Chile's most famous New Song musician. Born to a poor peasant family, Jara, whose songs celebrated the lives of ordinary Chileans, often combined traditional Catholic rituals with lyrics that reflected his leftist social conscience. Perhaps the most famous of these was his "*La plegaria del labrador*" ("Farmworkers' Prayer"), modeled on the Lord's Prayer. But Jara, giving voice to Chile's impoverished peasants, did not ask to be saved from some abstract evil; on the contrary, accompanied by his searing *charango*, an indigenous guitar made from an armadillo shell, he raised his powerful voice to demand, "Deliver us from the master who keeps us in misery, thy kingdom of justice and equality come."

In 1969, after Frei's police savagely attacked a group of peasants who illegally had occupied vacant lands in Puerto Montt, Jara wrote a stirring new song that became the battle cry of a generation. "*Preguntas por Puerto Montt*" ("Questions about Puerto Montt") denounced the barbaric murderers and declared, "All the rains in the south (of Chile) will not be enough to wash your hands clean." But Jara was not only interested in politics. He believed that the role of artists was to be cultural rebels. "An artist must be an authentic creator," he once said, "and in essence a revolutionary . . . a man as dangerous as a guerrilla because of his great power of communication." Artists became revolutionaries by celebrating a popular culture that all too often was ignored or scorned by a mass media monopolized by the wealthy. "We should ascend to the people, not feel that we are lowering ourselves to them," Jara once wrote. "Our job

is to give them what belongs to them—their cultural roots." Jara and others later collaborated on a popular new musical, "*La Cantata de Santa María*," which commemorated the 1907 slaughter of three thousand striking nitrate miners, a massacre that sparked the development of Chile's modern trade union movement.

These cultural changes also were reflected within the Christian Democratic Party itself. In 1969 disillusioned progressives split off to form the Movement for United Popular Action (MAPU), which later joined the Popular Unity Coalition. This break left Frei the leader of the party's traditional faction, and Radomiro Tomic led the progressives who remained. Because Frei was ineligible to run again under the constitution, Tomic became the party's presidential candidate in 1970. He ran on a platform almost indistinguishable from that of Allende, the candidate of the Popular Unity (UP) coalition, whose main elements were the Socialist, Communist, and Radical Parties.

The oligarchy, already alienated by Frei's modest agrarian reform, found Tomic totally unacceptable, refused to join forces with Christian Democrats as it had in 1964, and backed ex-president Jorge Alessandri of the National Party. Allende won the election with 36 percent of the vote, whereas Alessandri got 35 percent and Tomic 28 percent. Preferring to stress class solidarity, Allende had not targeted the women's vote, but his share of it grew by 13 percent from 1958 and doubtlessly provided his razor-thin margin of victory. Because Allende failed to receive a majority, the election went to Congress that, after much-publicized maneuvering, approved Allende as president.

## The Chilean Road to Socialism, 1970–1973

### THE OPPOSITION

When Allende took office in 1970, domestic political conditions appeared favorable to his program for the achievement of socialism in Chile within a framework of legality and nonviolence. The assassi-



Salvador Allende, president of Chile, died during the military coup of September 1973.

[Bruno Barbey/Magnum Photos]

nation in October 1970 of General René Schneider, the commander in chief of the army, who had kept the army neutral during the period after the election just before Allende assumed the presidency, had discredited his opponents. Prospects were excellent that the Popular Unity would receive the cooperation of the Tomic faction of the Christian Democratic Party in Congress. For the time being, the UP coalition remained united behind a program that called for expropriation of all landholdings over 80 hectares and the progressive takeover of large foreign companies and monopolies.

Nonetheless, the forces against the UP were formidable. It did not have a majority in Congress. Both the judiciary and the *Contraloría General* (the government's fiscal arm) opposed Allende's poli-

cies. The entire domestic economic establishment, foreign interests, much of the officer corps of the military and national police, and the Catholic Church were also aligned against the UP. The anti-UP political coalition, the *Confederación Democrática* (Democratic Confederation), controlled virtually all of the nation's media—two of the three television stations, 95 percent of the radio stations, 90 percent of the newspaper circulation, and all of the weekly magazines.

Even more significantly, however, substantial shifts were occurring in global markets. The European and Japanese economies had fully recovered from their wartime collapse and had emerged as vigorous competitors with the United States, whose economic and technological strength had been

sapped by the Vietnam War and a host of other Third World military interventions. By the early 1970s, the leading capitalist countries were on the verge of an international trade war, looking to industrially developing, “semiperipheral” countries like Chile to earn profits otherwise unavailable to them in their own markets.

But this meant that foreign interests would no longer tolerate nationalistic, statist restrictions on their activities, no matter how popular these might be with local democratic electoral constituencies. Consequently, when the democratically elected UP coalition of Socialists and Communists sought to implement their campaign promises, U.S. government leaders like Henry Kissinger, President Richard Nixon’s National Security Council adviser, imperiously intervened. “I don’t see why we have to let a country go Marxist,” Kissinger arrogantly insisted, “just because its people are irresponsible.” Nixon immediately ordered the Central Intelligence Agency (CIA) to orchestrate a coup to overthrow Allende before the Congress could validate his election, but, even after this failed, he advised U.S. operatives to “make the economy scream.” The ensuing economic chaos, according to Nixon, would undermine Allende’s legitimacy and force his government to reopen Chile to foreign control.

But a lack of internal cohesion also hindered the UP. The old problem of how to satisfy the claims of both the working-class—even more militant than during the Popular Front days—and the middle-class sectors—who worried that their interests were being threatened by the structural reforms undertaken by the UP—was never fully resolved.

This competition between middle- and working-class constituents also had been reflected in cultural conflict among the nation’s youth. During the tumultuous 1960s, the folk music of Parra and Jara, with its social conscience, political protest, and identification with Chile’s popular classes, had starkly contrasted with a Chilean rock music that self-consciously emulated British and U.S. (counter)culture. Jara himself had campaigned for the UP, and he wrote “*Venceremos*” (“We Shall Overcome”), which quickly became the campaign’s theme song.

On the other hand, rock musicians like *Los Macs* identified more with foreign cultures they defined as modern; they especially appealed to alienated upper- and middle-class youth who, like the later supporters of Pinochet’s bloody dictatorship, rebelled against the Chilean popular traditions they associated with backwardness. Chilean rockers typically sang their songs, even original compositions, in English and were greatly influenced by Elvis Presley, the Beatles, the Kinks, and the Byrds. So disgusted were these bands with Chilean popular cultural traditions and the nation’s stormy politics that some rock musicians, like Juan Mateo O’Brien of *Los Vidrios Quebrados* (Broken Glass), “thought only about leaving Chile” and declined invitations to return to play for a Chilean audience. Others, like Willy Morales of *Los Macs*, specifically cited Allende’s democratic socialist revolution, “the social and political events between 1970 and 1973,” for his disinterest in returning to Chile.

Ironically, countercultural *gringos* who visited Chile to help build a peaceful, democratic socialist alternative to western capitalism often discovered to their amazement that the young Chilean rockers, who dressed like them, wore long hair, smoked marijuana, and listened to Jimi Hendrix, increasingly were politically more sympathetic to Richard Nixon. Middle- and upper-class countercultural Chilean rockers defined the dominant culture against which they rebelled as primitive, uneducated, undeveloped, and working class; in 1970, Salvador Allende had become its political symbol. But the countercultural *gringos* and folk enthusiasts like Víctor Jara defined the dominant culture against which they rebelled as modern, capitalistic, socially unjust, and foreign dominated; its political symbols were Richard Nixon and Jorge Alessandri, upon whom the Nixon administration had lavished covert financial support in the 1970 presidential elections.

### THE FIRST YEAR, 1971

The UP’s immediate goal was to improve the living standard of the working class and get the economy moving. The government accomplished this by increasing purchasing power, which in turn stim-

ulated demand, industrial production, and employment. During the first year of Allende's term, worker income rose a startling 50 percent. The government instituted a massive program of public spending, especially for labor-intensive projects such as housing, education, sanitation, and health. At the same time, the government expanded its appeal to women. It developed a Ministry of the Family, created community daycare centers, organized low-income milk distribution programs, financed *Almacenes del Pueblo* (People's Grocery Cooperatives), and established price controls, which were monitored by local, housewife-operated price and supply committees. The rate of inflation fell to 22.1 percent in 1971 from 34.9 percent in 1970, and as a result, real income rose 30 percent. The Organization of American States independently confirmed that Allende's program had produced "high growth levels" during its first year.

For the first year, middle-class businessmen, industrialists, and peasants fared very well and cooperated with the Allende regime. There were scattered cases of larger owners sabotaging their own property, but for the most part, business was not hostile. The government also employed coercion to gain cooperation from industry, threatening companies with intervention if they did not agree to increase production. Coercion and increased demand combined to bring about an expansion of industrial production and employment.

The short-term policies of the UP government increased popular support for the minority regime, a success reflected in the municipal elections of April 1971, in which the Popular Unity won over 50 percent of the vote. In the long run, however, the depletion of stocks, the outflow of foreign exchange to pay for the import of consumer goods, and the fall of profits in what was still basically a market economy proved very damaging to the government's economic program.

Allende's first problems arose when the United States in effect declared economic war on Chile's fragile democratic socialist experiment. The United States covertly embargoed Chilean loans, imports, and exports, especially copper, whose price declined sharply, leading to an imbalance in terms of trade and the depletion of foreign-exchange re-

serves. In addition, the expropriation of the Gran Minería in July 1971 virtually halted the flow of private investment capital from the United States. The resulting economic difficulties led Allende to stop servicing the national debt, but he eventually managed to reach satisfactory agreements with all of Chile's creditors except the United States.

#### **DEMOCRATIC SOCIALIST DILEMMA: CAUGHT IN THE MIDDLE, 1972–1973**

The first year's gains gave way to economic stagnation and a resurgence of inflation. Although Allende's popularity remained high in 1971, he struggled unsuccessfully to reach a delicate balance between the needed structural reform demanded by the working class and the special interests of the middle class. The government's policy of expropriating large enterprises alienated owners of small and medium-size businesses, who employed 80 percent of the working population. Workers began occupying and operating factories. State enterprises were badly mismanaged.

The socialist government was also unable to solve the agricultural crisis. Chile's inefficiently managed agricultural production was perhaps the biggest economic roadblock, for it neither raised enough to feed the country's inhabitants nor provided employment for the large pool of rural labor. A hostile Congress forced Allende to operate with reform laws inherited from the Frei administration; nonetheless, by the end of 1972, Allende had effectively liquidated the latifundio system. Expropriation and redistribution proceeded, but with considerable cost to production. The amount of land under cultivation decreased by 20 percent, and the harvest of 1972–1973 was poor.

The Allende administration faced a full-fledged economic and political crisis by the fall of 1972. The inevitable disruptions that accompany revolutionary conditions were aggravated by mistakes and shortcomings of the UP government and conflicts within the coalition. Moreover, the Chilean oligarchy and its North American allies were formidable, unrelenting opponents. The United States was deeply involved in Chilean politics. According to its director, William Colby, the CIA spent

\$11 million between 1962 and 1970 to help prevent Allende from being elected president. Thereafter, the CIA, with authorization from President Richard Nixon and Secretary of State Henry Kissinger, spent \$8 million between 1970 and 1973 to “destabilize” the Chilean economy. Nixon told the U.S. ambassador to Chile that he would “smash that son-of-a-bitch Allende.”

The Chilean upper class, although it had lost much of its economic base due to the nationalization of large industries and expropriation of large landholdings, retained control over much of the mass media, the judiciary, a majority in Congress, and the armed forces. However, the struggle hinged, finally, on the middle sectors. Soaring inflation eroded their economic position. All of Allende’s efforts to reassure and win over the middle class failed to overcome its traditional hostility toward socialism and its association with the bourgeoisie. This middle class provided the mass base for the coup that overthrew the Popular Unity.

Allende’s opponents took advantage of the growing economic crisis to embark on a program of sabotage and direct action that included the mobilization of middle-class women in “empty pots” protest marches and a strike of truck drivers (subsidized by the CIA), which developed into a full-scale lockout by a majority of Chilean capitalists. The strike ended when Allende made major concessions to his opponents, guaranteeing the security of small and medium-size industries. He also agreed to the inclusion of generals in his cabinet to ensure law and order and to supervise the congressional election scheduled for March 1973.

Relying on long-established electoral trends, which saw the party in power lose congressional seats, the opposition expected to gain a sweeping victory in the election; it hoped to have the two-thirds majority needed to impeach Allende and legally oust his government. Instead, the UP vote rose from 36 percent (in 1970) to 44 percent, proof that its socialist policies had substantially increased its support among the working class and peasantry. Once again, women now known as “hacedoras de presidentes” (makers of presidents) provided Allende his margin of victory. The UP coalition received 41 percent of the women’s vote,

a 14 percent increase since the last congressional elections in 1969 and an 11 percent improvement over the 1970 presidential election totals. Allende also benefited from 1971 electoral reforms that enfranchised younger voters and eliminated literacy restrictions, all of which boosted women’s participation from 47 percent of the electorate in 1970 to 56 percent in 1973.

But the opposition still commanded a majority in Congress, and it redoubled efforts to create economic and political chaos by disruptive strikes, the organization of terrorist bands, and calls on the armed forces to intervene. The Chilean military, itself internally divided over the Allende government, was greatly influenced by the United States. Many Chilean officers had received counterinsurgency training either in the United States or in the Panama Canal Zone. Throughout the Allende presidency, even after the United States economically embargoed Chile, U.S. military aid continued. The United States even doubled its usual contribution in 1973.

By the spring of 1973, the balance of forces within the military had shifted in favor of Allende’s opponents. On June 29 a premature coup was put down by loyal troops under the direction of General Carlos Prats. Following the defeat of the coup, workers called for occupation of the factories and distribution of arms among them. Instead, Allende renewed his efforts to achieve a compromise with the Christian Democrats, foolishly relying on the armed forces, who raided factories in search of illegal weapons while making no effort to disarm hostile paramilitary groups. Control of many localities effectively passed from the UP administration to the armed forces. On September 11, 1973, a military coup led by General Augusto Pinochet toppled Allende and inaugurated a brutal neoliberal dictatorship.

The coup killed thousands and imprisoned or exiled thousands more. It effectively ended Chile’s pioneering effort to transcend the limits of populism and promote national development with revolutionary changes enacted through peaceful, democratic means. In the process, it left a much-disputed legacy for other Latin Americans struggling to throw off the chains of underdevelopment

and exploitation. By the mid-1970s, then, the only successful alternative to a bankrupt populism or self-serving personal dictatorship appeared to be Cuba's experience with armed revolution. Consequently, it was no surprise that movements for national liberation in Central America, a region long dominated by foreigners and oligarchical dictatorships, opted for armed struggle and prolonged popular war as the most effective means for achieving their objectives.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Twilight of the Tyrants: Revolution and Prolonged Popular War in Central America

## FOCUS QUESTIONS

- How was Central America's development affected by "liberal" reforms, the rise of a new export dependency, foreign control of key natural resources, and U.S. strategic hegemony?
- What were the policies of Juan José Arévalo and Jacobo Arbenz, how did U.S. intervention affect them, and how did this affect Guatemalan national development?
- What was the program of Nicaragua's Sandinista Revolution, and how did U.S. policy affect it?
- What were the objectives of the Salvadoran Revolution, and how did U.S. intervention affect it?
- What roles did women, workers, and the Catholic Church play in the region's twentieth-century development?

**C**ENTRAL AMERICA, like Chile and the Andean area, was the site of significant movements for social change in the 1970s. Brutal military dictatorships, powerful landed oligarchies, and foreign domination plagued the region throughout much of the twentieth century. In response to these obstacles to national development, there arose a determined revolutionary resistance that combined the strategies of armed guerrilla insurgency pioneered in the 1959 Cuban Revolution and popular political mobilization practiced in Chile. This idea of prolonged popular war characterized the struggles for national liberation in Nicaragua, El Salvador, and Guatemala.

The July 1979 victory of the Sandinista Front for National Liberation (FSLN) over one of Latin America's oldest tyrannies—the Somoza family dynasty of Nicaragua—was an extraordinary event that reverberated throughout Latin America and the United States. Like the Cuban Revolution, this anti-imperialist social revolution challenged U.S. power in a part of the world that for almost a century had been its own secure preserve. In Washington, the Sandinista triumph caused gloom and disarray as to how to deal with the new Nicaragua and prevent the spread of the revolutionary virus to its Central American neighbors. It heartened Latin American revolutionaries, their supporters, and all the democratic forces of the region, ending the

discouragement caused by a long series of defeats for radical and progressive causes—from the Brazilian counterrevolution of 1964 to the destruction of Chilean democracy in 1973. Moreover, the Nicaraguan revolution's unique blend of Marxism and progressive Catholic thought and its effort to maintain a mix of state and private enterprise excited the imaginations of those committed to social change and national development in Latin America.

In El Salvador, meanwhile, guerrilla activities against a repressive military-civilian junta had developed into a full-scale civil war by the spring of 1980. The guerrillas had created a revolutionary government (the *Frente Democrático Revolucionario*) with its own army, the *Frente Farabundo Martí de Liberación Nacional* (FMLN). Ten years later, despite massive infusions of U.S. military and economic aid (over \$4.5 billion) to the government, rebel forces held much of the country and showed themselves capable of disrupting its economic life and launching powerful offensives at will. By the spring of 1990, popular discontent with the U.S.-supported government, revulsion in the United States at the atrocities committed by the Salvadoran military, and the demonstrated strength of the guerrillas had forced the government to accept rebel proposals for U.N.-sponsored peace talks without preconditions. The resulting peace accords provided for demilitarization and democratic elections in which the FMLN participated. Their opponents won the 1994 elections that were less than completely “free and fair,” but the FMLN obtained a strong presence in the national legislature and prepared for a long political struggle for the social transformation of El Salvador.

Guerrilla movements had risen and waned in Guatemala since 1954, when a counterrevolutionary coup, organized and armed by the CIA, overthrew a reformist regime and the social changes it had instituted. The armed struggle gained in intensity and popular support in the late 1970s, even as the level of violence on the part of government security forces and death squads reached new heights. After the Guatemalan military government adopted a scorched-earth policy,

accompanied by massacres of indigenous villagers thought to have supported the guerrillas, the rebels faded into the mountains and jungles. The roots of revolution—massive poverty, injustice, and repression—remained, however, even after the civilian government of Vinicio Cerezo took office in 1986. By the spring of 1990, the guerrilla war had revived, and rebel units maintained a presence only thirty miles from the capital, Guatemala City. Here, too, peace talks made slow progress against the bitter resistance of the dominant military, but they finally produced the Peace Accords of 1996.

Why was Central America, a region so richly endowed by nature—where U.S. economic, political, and cultural influence had been so strong—such a violent land and why did it present such immense contrasts of wealth and poverty? How did prevailing social and economic conditions shape the strategy of prolonged popular war in the region? The answer to these questions requires a more detailed survey of the twentieth-century history of Guatemala, Nicaragua, and El Salvador, where armed revolutionary movements shaped the contours of modern life.

## Guatemala

In Guatemala, the historical sources of political violence and late-twentieth-century revolution could be found in the nation's growing external dependence, its domination by foreign monopoly, and the collaboration of a rapacious landed oligarchy that supported a series of military dictatorships between 1898 and 1944. The first of these was led by Manuel Estrada Cabrera, a tyrant famous for his cruelty, who ruled ruthlessly for two decades before his own previously obedient Congress declared him insane and sought his removal. During his presidency, Estrada Cabrera invested in the national infrastructure, particularly road and port facilities for transporting and shipping coffee.

Although initially funded with Guatemalan resources, the financing and construction contracts for this infrastructure soon passed into the hands of foreign, predominantly U.S., companies. A U.S. firm, International Railways of Central America

(IRCA), which was linked to the United Fruit Company (UFCO) through interlocking directors, acquired monopolistic control over land transport in Guatemala and virtual ownership of the major Atlantic port of Puerto Barrios. The UFCO secured a contract in 1901 to carry Guatemalan mail from Puerto Barrios to the United States in its "Great White Fleet" and to carry bananas, obtained from producers at fixed prices, to the North American market. In time, the company acquired vast banana holdings of its own on very favorable terms from the Guatemalan government.

The enormous U.S. economic influence, based on direct investments, loans, and control over Guatemala's chief foreign market, translated into a growing U.S. tutelage over Guatemala. After World War I, the U.S. embassy became in effect a branch of the Guatemalan government; U.S. ambassadors were approached for favors in return for cooperation with U.S. corporations.

By the end of Estrada Cabrera's brutal regime, Guatemala's economy was utterly dependent on the export of bananas, and its land was concentrated in the hands of a few, but unlike Nicaragua and El Salvador, much of this was owned by a single foreign company, UFCO. During the next decade, coffee oligarchs battled each other, sought to renegotiate the state's relationship with UFCO, pursued constitutional limitations on the military, and simultaneously worked to preserve their control over natives, peasants, and workers. The resulting instability provided fertile ground for the emergence of a new military strongman, Jorge Ubico, who seized power in 1930 and dominated Guatemala until a 1944 revolution overthrew him.

During his reign, Ubico consistently supported UFCO and IRCA, but he also cultivated close relations with the nation's coffee oligarchy, whose interests were threatened by the Great Depression. During the 1930s, coffee prices declined to less than half the 1929 level. By cutting off European markets, World War II deepened dependence on the U.S. market and further depressed coffee prices. The crisis in foreign trade led to rising unemployment, wage cuts, and business failure for many

small producers. The Guatemalan planter oligarchy and associated export-import interests, closely linked to U.S. enterprises, made peasants and workers pay for the Depression through wage cuts, intensified exploitation, and reduced government services. In the 1930s the level of official repression rose; in 1933 alone, the government executed some one hundred labor leaders, students, and political dissidents.

Ubico was determined to guarantee the planter class a reliable, cheap source of labor. In 1934 he abolished debt peonage, replacing it with a vagrancy law that required all persons owning less than a stipulated amount of land to carry cards (*libretas*) to show that they had worked at least 150 days a year on the haciendas. Those who failed to comply with this obligation to do "useful work" were jailed. Fearing popular uprisings and peasant land invasions, Ubico also legalized murder for landlords seeking to protect their properties.

The fall of the detested Ubico regime came as a result of popular democratic opposition movements, fostered by the antifascist climate of opinion created by U.S. and Latin American participation in the war against the Axis powers. Although Guatemala, under U.S. pressure, had declared war on the Axis in December 1941, Ubico's profascist views and the ties of many of his close advisers and ministers to German interests were well known. In June 1944 a general strike and antigovernment demonstrations forced Ubico to resign. A triumvirate of two army officers and a civilian took over and organized congressional and presidential elections to be held in December 1944. The overwhelming victory of Juan José Arévalo, a prominent educator and scholar who had spent many years in exile, confirmed the demand of the Guatemalan people for the establishment of a government pledged to democracy and social progress.

### REVOLUTION AND COUNTERREVOLUTION, 1944–1983

The Guatemalan democratic revolution of 1944 was largely the work of a coalition of urban middle-class groups and discontented junior mili-

tary, with the small working class as junior partner and the indigenous peasantry in a marginal role. In fact, historian Greg Grandin shows that indigenous communal leaders (*principales*) consistently opposed the revolutionary nationalist regime because it challenged their traditional authority and proprietary claims. Although the revolutionary leadership favored a capitalist course of development and was friendly to the United States, the Arévalo administration (1945–1951) also launched an ambitious social welfare program that stressed a national literacy campaign and construction of schools, hospitals, and housing.

The 1945 constitution abolished all forms of forced labor, enfranchised literate women, prohibited press censorship, limited presidential power, criminalized racial discrimination, required equal pay for equal work, and established civil equality for men and women. The 1947 labor code guaranteed to workers the right to decent working conditions, social security coverage, and collective bargaining through trade unions of their own choosing; it also provided for compulsory labor-management contracts and mandatory paid maternity leaves. These reforms spurred a rapid organizing drive among urban, banana, and railroad workers, who made a number of limited gains.

Following the example of many Latin American governments in this period, Arévalo began a program of industrial development and diversification, employing a newly created state bank and other agencies for this purpose. As for the existing foreign economic enclaves (chiefly UFCO and IRCA), Arévalo's policy was not to nationalize but to regulate their operations in the national interest. The government insisted, for example, that UFCO submit wage disputes to arbitration. New laws stipulated that in the future the state or predominantly national companies should exploit natural resources; in industry, foreign investors could operate on the same terms as nationals.

Although the 1945 constitution permitted expropriation of private property in the national interest, Arévalo's agrarian program was equally moderate. Government programs offered state support to cooperatives and provided agricultural

credit and technical assistance. A new law protected tenants from arbitrary ouster by landlords and required them to rent uncultivated lands to landless peasants, but the latifundia remained intact.

Urban, middle-class ladina women played an influential role in the Arévalo government. The Democratic Union of Women (UMD), organized in 1946, included former students at the University of San Carlos who had mobilized against Ubico. They agitated for women's rights, participated as teachers in the literacy crusade, and hosted a 1947 Inter-American Women's Conference that advocated greater democracy, human rights, and national industrial development. The Guatemalan Women's Alliance (AFG), founded in 1947 and closely associated with the clandestine Communist Party, championed working-class interests, agrarian reform, and indigenous rights. Its most famous member arguably was María Vilanova de Arbenz, whose husband became Guatemala's president in 1950.

The pace of reform quickened with the election of Major Jacobo Arbenz, who sought to convert Guatemala from a dependent nation with a semi-colonial economy into an economically independent country. His major strategy to achieve this objective was **import-substitution industrialization**, to be accomplished by private enterprise. But the creation of a modern capitalist economy was impossible without an expansion of the internal market—that is, of mass purchasing power—through agrarian reform.

Prompted by indigenous peasant uprisings, the phenomenal growth of the Guatemalan National Peasant Confederation (CNCG), claiming more than 200,000 members, and a 1950 census report showing that 2 percent of Guatemalans controlled 74 percent of the arable land, Arbenz supported a 1952 agrarian reform law. It provided for the expropriation of holdings over 223 acres and their distribution to the landless, with compensation made through twenty-five-year bonds. By June 1954 approximately 100,000 peasant families had received land, together with credit and technical assistance from new state agencies.

The agrarian reform inevitably affected UFCO, which cultivated no more than 15 percent of its holdings of over 550,000 acres; the company claimed that it needed these large reserves against the day when its producing lands were worn out or ruined by banana diseases. The land expropriation, coming on top of a series of clashes between the government and UFCO over its labor and wage policies, brought their relations to the breaking point.

Meanwhile, in its struggle with the landed oligarchy, a weak middle class needed allies, and workers used this situation to expand their demands. They organized independent trade unions like the Guatemalan Confederation of Labor (CTG) and the Guatemalan Syndicalist Federation (FSG) and pressed for higher wages and greater worker autonomy. Their success also was reflected in the establishment of the General Confederation of Guatemalan Workers (CGTG), with more than 100,000 members. Coupled with the growing politicization of indigenous peasants organized in the CNCG, these popular working-class organizations pressured Arbenz to pursue a more radical agenda that frightened his supporters in the agro-industrial middle class, inducing them to seek a *modus vivendi* with the planter aristocracy and its U.S. associates.

The U.S. government had already attacked the moderate Arévalo as being procommunist. Arbenz's deepening of the revolution, threatening the profits and properties of UFCO, evoked a much angrier reaction in the United States and caused UFCO's friends in high places to prepare for direct action against Guatemala. By 1953, President Dwight D. Eisenhower had approved "Operation Success," a CIA-State Department plan to remove Arbenz and replace him with Colonel Carlos Castillo Armas. Deeply involved in the conspiracy against Guatemala were Secretary of State John Foster Dulles and his brother, CIA director Allen Dulles (both former partners in UFCO's legal counsel), United Nations Ambassador Henry Cabot Lodge, and Assistant Secretary of State for Latin America John Moors Cabot, both UFCO stockholders. Headquartered in Miami, a CIA official served

as field commander for the operation and funneled guns and ammunition to Castillo Armas's army. The man in charge of psychological warfare was E. Howard Hunt, later of Watergate fame.

Because the United States had imposed an arms embargo against Guatemala, Arbenz purchased a shipment of Czech arms, whose arrival in May 1954 provided a pretext for implementing "Operation Success." In June, Castillo Armas advanced six miles from the Honduras border into Guatemala and waited for his U.S. allies to do the rest. While U.S. pilots in CIA planes dropped propaganda leaflets and incendiary bombs on the capital, Guatemalan army officers refused to arm workers and peasants who wanted to defend the revolution. Instead, they pressured Arbenz to resign, turning over the government to a three-man junta. But the United States insisted on the installation of Castillo Armas, the CIA candidate, as president. On July 3 he arrived in the capital in a U.S. embassy plane and promptly launched a campaign of terror against supporters of the revolution. According to one estimate, eight thousand people were executed. Thereafter, Castillo Armas surrounded himself with an entourage that has been described as a gang of "grafters and cutthroats."

The counterrevolution returned power and property to the landed oligarchy, its foreign allies, and their new middle-class partners. It revoked the 1952 land reform, returning formerly expropriated lands to UFCO and other latifundistas. After 1954 the size of the average peasant landholding decreased, whereas the percentage of land devoted to commercial farming increased. But the Guatemalan economy did not stand still. The new ruling coalition promoted the growth of a small dependent industry and some major shifts in the composition of agricultural exports.

Despite a modest advance of industry, mostly of the *maquiladora* type controlled by foreigners, Guatemala remained basically a producer of foodstuffs and raw materials. The composition of its exports changed considerably as a result of declining coffee prices. Coffee was still the leading export in 1980, but cotton, sugar, and cardamom ranked second, third, and fourth in value. While commercial

agriculture gained, basic grains (wheat and maize) had to be imported from the United States. This reflected the continuing concentration of the best lands in the hands of latifundistas, often by usurpation of the plots of mestizo and indigenous smallholders, with army and security forces present to suppress armed resistance. Because peasant unions were forbidden by law and the minimum-wage laws were ignored, extremely low wages were the rule.

The narrow social base of the post-1954 regimes and the fact that they owed their existence to a flagrant foreign intervention explain their militaristic, repressive character. In the thirty-four years after 1954, there was only one civilian president—Mario Méndez Montenegro, elected in 1966—and he escalated the repression, directing counterinsurgency operations as much against peasants as guerrillas. Aided by U.S. military advisers, the Guatemalan military slaughtered an estimated fifteen thousand people in the department of Zacapa alone between 1966 and 1968.

Despite the crushing blows inflicted by this and subsequent counterinsurgency campaigns, the guerrilla movements survived and reached a new height of activity in the mid-1970s with the formation of the Guerrilla Army of the Poor (EGP). The resurgence reflected growing cooperation among guerrilla movements, trade unions, and peasant organizations. Another significant development was a cleavage in the church between Archbishop Mario Casariego, who was firmly loyal to the military regime, and some bishops who were sympathetic to liberation theology, as well as working clergy active in the Catholic *comunidades de base* (grassroots communities). Their involvement in the daily struggles of the poor brought charges of subversion and, in 1981 alone, attacks by government and paramilitary forces killed twelve priests and threatened many others, including some bishops, with death.

The guerrilla struggle achieved a high point of organizational unity in 1981 following the decision of the three major guerrilla organizations and the Guatemalan Communist Party to form a unified command to coordinate their military

operations. By the end of 1981, they had scored considerable successes. The widespread violence and the growing power of the guerrillas intensified the flight of capital, adding to the economic gloom brought on by low commodity prices and declining industrial activity.

The guerrilla advances produced discord among the military. One group of officers favored a more defensive strategy, controlling what was feasible; others favored an aggressive policy, including “scorched earth” tactics against the areas that were supposed to support the guerrillas. This group gained the upper hand in March 1982 and installed General Efraín Ríos Montt as head of a new three-man junta, whose policy, according to the *Latin America Weekly Report*, was to eradicate the mainly indigenous population: “Troops and militias move into the villages, shoot, burn, or behead the inhabitants they catch; the survivors are machine-gunned from helicopters as they flee. Any survivors are later rounded up and taken to special camps where Church and aid agencies cope as best they can.”

These conditions did not deter the Reagan administration from certifying to Congress that the human rights situation in Guatemala had improved, thereby renewing military aid and arms sales to its government. But the United States, carefully avoiding the subversive term *reform*, also continued to pressure the military government to build a broader domestic political constituency by implementing periodic programs of “agrarian transformation.” This typically meant the relocation of landless indigenous peasants to inaccessible, uncultivated, relatively infertile, state-owned jungle lands, where they received minimal credit and technical assistance, all of which increased their dependence on markets and eroded traditional autonomy.

### **RETURN TO DEMOCRACY, GUATEMALAN STYLE, 1983–2003**

In August 1983 a military coup toppled Ríos Montt. The desperate state of the economy, the country’s international isolation, and growing internal

opposition from social movements that overcame traditional racial, ethnic, gender, and class divisions all persuaded the military to withdraw in favor of civilian elites. The domestic opposition particularly frustrated the army. Despite savage repression, hundreds of thousands of indigenous peoples, Catholic activists, homeless people, urban workers, and housewives bravely resisted the government by joining organizations like the Committee of Peasant Unity (CUC), Catholic Action, the National Movement of Shantytown Dwellers (MONAP), the National Committee of Union Solidarity (CNUS), and the Consumers' Defense Committee (CDC). Together these groups organized the Democratic Front Against Repression (FDCR) to demand democracy and social justice. But the return to democracy was hedged with conditions. It was well understood that no future civilian government could hope to survive if it interfered with the military's conduct of the ongoing counterinsurgency war or attacked the oppressive land system.

The first step in the transition to this curious democracy was the election of a constituent assembly. Notable for its repressive atmosphere and a "reactionary pluralism" that severely limited political debate, this election resulted in the abstention of 57 percent of eligible voters. It produced a constituent assembly controlled by oligarchic parties who scheduled elections in 1985 and wrote a new constitution that ignored social problems, institutionalized the military repression, and sanctified the rights of private property.

Despite constitutional provisions that criminalized voter abstention, fewer than 50 percent of eligible Guatemalans voted in successive elections that empowered Vinicio Cerezo Arévalo and José Serrano Elías, both of whom promised to honor the military's autonomy, curb inflation, create jobs, respect human rights, and expand democracy. Although the military distrusted these civilian leaders, it understood that their governments, with connections to powerful sister parties in Europe and patrons in Washington, had the best chance of securing urgently needed foreign aid and overseeing the "recomposition" of the state and civil society.

Under Cerezo and Serrano, the military retained effective control of rural Guatemala, scene of a prolonged counterinsurgency war that transformed 38 percent of urban women and 56 percent of rural wives into widows, and caused an immense flow of indigenous refugees, an estimated 10 percent of the population. In Phase One of the process, the army burned down Maya villages, laid waste fields, and killed over 30,000 villagers, according to estimates. Phase Two, designed to turn indigenous communities against the guerrillas, created "model villages" (reservations) in which to resettle surviving indígenas and those who had returned home after fleeing and living like hunted animals in the mountains. The military also reorganized indigenous society, forcing hundreds of thousands of Mayans to participate in a civil defense patrol program. Israel, a major supplier of arms to Guatemala, provided it with a wide range of sophisticated hardware and also furnished advisers on counterinsurgency.

Meanwhile, the guerrilla struggle, after suffering severe defeats that drove the partisans into remote parts of the mountains and jungles, revived. Many model villages were surrounded by guerrilla territory; the guerrilla presence was particularly strong in three zones: the Petén, Quiché and Huehuetenango, and Solola. Despite the increase in guerrilla activities, the *Unidad Revolucionaria Nacional Guatemalteca* (URNG), which led and coordinated the guerrilla movement, sent Cerezo an open letter expressing willingness to discuss peace talks. In April 1989 preliminary talks were held between a reconciliation commission approved by the government and rebel leaders, and the talks continued under Serrano.

Nor were Cerezo and Serrano able to deliver on their economic promises. An economic austerity program that reflected the dominant influence of landowning and business elites kept both unemployment and inflation high. Economic aid from the United States and European countries fell below expectations. The economy continued to stagnate, and poverty skyrocketed. Between 1980 and 1987, according to the United Nations, the proportion of poor people rose from 79 to 87



The 1992 awarding of the Nobel Peace Prize to the Maya activist Rigoberta Menchú gave a large boost to the struggle against genocide of indigenas and for indigenous political and social rights in her native Guatemala and throughout Latin America. [Reuters NewMedia Inc./Corbis]

percent; the percentage of people in “extreme poverty” grew from 52 to 67 percent. Guatemala’s historically high income inequality also worsened substantially. Naturally, this led to dramatic declines in the “physical quality of life,” measured by infant mortality, literacy, and life expectancy. Still worse, this crushing poverty was disproportionately concentrated among women and indigenous people.

But popular sectors took advantage of greater political freedoms to create a powerful opposition. Guided by the United Guatemalan Workers (UNSTRAGUA), a new independent labor confederation, students, teachers, workers, shantytown dwellers,

human rights activists, peasants, women’s groups, and indigenous rights organizations joined together to form a cross-class coalition that called for nationwide general strikes to protest policies that produced greater unemployment and higher prices for bread, milk, and urban transportation. Although they succeeded in winning some important concessions, these popular social movements still lacked the power of the army, international bankers, and Guatemala’s propertied elites; but they functioned effectively, consciously or not, as a civilian front for the rural guerrilla insurgency.

Although Cerezo and Serrano pledged to work for peace and end human rights abuses, their

promises were contradicted by a wave of assassinations. The U.S.-based Council on Hemispheric Affairs found that Guatemala, closely followed by El Salvador, was the worst human rights violator in Latin America in 1990. In that year, according to one human rights organization, there were 773 killings, including the murders of dozens of street children, mostly at the hands of the military, the national police, and death squads.

By 1993 a number of factors combined to produce a crisis for the Serrano regime. One was the public anger caused by a series of drastic electricity rate increases. A second shock was the 1992 award of the Nobel Peace Prize to the Maya activist Rigoberta Menchú, which provided the indigenous masses of Guatemala with an internationally recognized leader in their struggle for political and social rights. Against a background of mounting unrest and popular demonstrations, Serrano announced the dissolution of Congress and the Supreme Court and took all power into his own hands. By a certain irony, the United States—which in 1954 had plotted the ouster of the democratic nationalist government of Jacobo Arbenz—now suspended economic assistance to Guatemala in protest against the coup, producing consternation in business circles and wavering within the military, which finally withdrew its support from Serrano. The coup promptly collapsed, and Serrano fled to Panama.

There followed prolonged negotiations among the military, political, and business elite, which searched for a presidential candidate acceptable to them and the United States but hostile to Serrano. They selected Ramiro de León Carpio, a lawyer and human rights critic who also opposed the guerrillas and supported the neoliberal economic policies sponsored by the International Monetary Fund (IMF) and the World Bank.

The military undoubtedly saw in him a figure who could give Guatemala a respectable image but with whom they could live, a judgment that his first presidential acts served to confirm. After firing some members of the military high command who allegedly backed the coup, he promptly replaced them with very similar individuals. Against

the advice of human rights groups, León Carpio decided to keep the Presidential Guard, a group implicated in numerous human rights violations, including the assassination of anthropologist/activist Myrna Mack. He reopened negotiations with the guerrillas, but the talks proceeded slowly and haltingly, largely because León Carpio insisted on separating the negotiations for a cease-fire from discussion of the social and economic issues—land, labor, and political reform—that were at the base of the war.

In general, despite his populist rhetoric, León Carpio showed little interest in the problems of the 90 percent of the population who lived in poverty. Even by the low Latin American standards, the dimensions of those problems were staggering: the share of national income received by the poorest 10 percent of the population dropped from 2.4 percent in 1980 to 0.5 percent in 1991. The problems were especially acute for indigenous people (55 to 60 percent of the population). According to official statistics, the indigenous infant mortality rate was 134 per 1,000 live births, twice that of the nonindigenous population. Only 10 percent of the indigenous population was literate; three out of four indigenous children suffered to some degree from malnutrition; and the average life expectancy of forty-five years represented a sixteen-year gap separating them from other Guatemalans. The root cause of indigenous poverty was lack of access to land. According to a U.S. Agency for International Development (AID) study, 2 percent of the country's farms held two-thirds of the farmland, whereas 70 percent of the farms possessed 17 percent of the land. Government efforts to promote highland production of winter vegetables for export replaced grain production for local consumption, promoted concentration of landownership, and spurred the flight of the indigenous population to the cities.

Many indigenous (and nonindigenous) people found employment in the free-trade zone factories or *maquilas*, the fastest-growing sector of the Guatemalan economy. A 1984 law exempted these factories from import duties and (for ten years) from taxes. The majority were owned by Koreans. The

maquilas accounted for 36 percent of Guatemala's exports to the United States. Seventy percent of the workers were women, and they earned about \$2.50 a day. "I work from 7:30 in the morning to 10:00 o'clock at night," said one machine operator, "and what I earn doesn't cover what I need to eat." But employers successfully resisted demands for higher wages, shorter hours, and better working conditions.

The repression continued, but it met with growing resistance from thousands of Guatemalan refugees returning from exile in Mexico and from thousands of indigenous people who had lived for a decade in the so-called communities in resistance, refugees in their own country. The award of the Nobel Peace Prize to Rigoberta Menchú gave indigenous people new hope and courage. In November 1993 thousands of indigenous Guatemalans held a protest march in the capital to demand total abolition of the civil defense patrols imposed by the army. The social ferment was accompanied by a renaissance of Maya culture, which included the formation of centers for the study of Maya culture, an association of Maya writers, and a publishing house devoted to the publication of books in the Maya languages.

Four decades of military dictatorship, death squads, and oligarchic rule had left Guatemala politically divided, economically devastated, and socially unstable. By the 1990s, the terrain of popular struggle had shifted decisively from the battlefield to politics, where social movements increasingly mobilized a constituency that transcended class, racial, and gender divisions. The strategy of revolution and prolonged popular war had won some significant victories; it ended the scourge of dictatorship, harnessed the death squads, and forced the oligarchs to share power, but the ultimate goal of social justice and national development remained elusive. In Nicaragua, however, the strategy actually brought to power a popular movement determined to implement the structural reforms necessary to promote national development, but it faced an equally determined opposition from the U.S. government, whose vast resources ultimately overwhelmed revolutionary Nicaragua.

## Nicaragua

### LIBERALISM, U.S. INTERVENTION, AND SANDINO, 1894–1934

Like Guatemala, Nicaragua's twentieth-century history was shaped by foreign economic dependency and gross inequality in the distribution of land; but unlike its northern neighbor, it also suffered from recurrent U.S. military intervention that weakened progressive local elites and decisively undermined national sovereignty. José Santos Zelaya, the late-nineteenth-century liberal dictator, had opened his nation to foreign investment and trade, but he nonetheless remained an ardent nationalist. He successfully asserted Nicaragua's claim to sovereignty over the Atlantic Mosquitia coast in 1894 and long championed a Central American federation. He also angered the United States by turning down its canal treaty proposal and negotiating with other countries for construction of a Nicaraguan canal that would have competed with the United States–controlled route in Panama. Like Mexico's Porfirio Díaz in the same period, Zelaya, alarmed over the extent of U.S. economic influence in his country, sought to dilute U.S. power by granting concessions to nationals of other countries.

These signs of independence convinced the United States, where imperialist attitudes and policies had flowered since 1898, that Zelaya must go. With U.S. encouragement, a revolt broke out in 1909. The U.S. Marines landed at Bluefields on the Atlantic coast and protected the anti-Zelaya forces there against government attack. Under military and diplomatic pressure from the United States, Zelaya resigned, and in 1910 his opponents came to power. Their triumph represented a victory for the traditional landed oligarchy and a defeat for its progressive nationalist faction that sought independent capitalist expansion. They installed Adolfo Díaz, an obscure bookkeeper in a U.S. mining firm in eastern Nicaragua, as president of a puppet regime that hastened to satisfy all the U.S. demands. A U.S. banking firm made loans to the Nicaraguan government, receiving as security a controlling

interest in the national bank and state railways and the revenues from the customhouse.

The servility and unpopularity of Díaz and his puppet regime provoked a revolt in 1912, led by the young liberal Benjamín Zeledón. The rebels were on the brink of victory when U.S. Marines were again sent in at the request of the Díaz government. Ordered by U.S. officials to end his revolt, Zeledón fought on, warning the U.S. commander that he and his country would bear “a tremendous responsibility and eternal infamy before history . . . for having employed your arms against the weak who have been struggling to reconquer the sacred rights of their fatherland.” Zeledón, fighting to the last, suffered defeat and was executed with the apparent approval of the United States. There followed the first U.S. occupation of Nicaragua, with the United States ruling the country through a series of puppet presidents from 1912 to 1925. In return for U.S. protection, these quisling regimes made certain important concessions, notably the Bryan-Chamorro treaty of 1916, which gave the United States the exclusive right to construct an interoceanic canal across Nicaragua and imposed limitations on Nicaraguan national sovereignty similar to those included in the 1903 Panama Canal treaty. Because the Panama Canal already existed, the Bryan-Chamorro treaty’s real purpose was to prevent any other country from constructing a competing canal, thereby guaranteeing U.S. strategic hegemony in the region.

In August 1925, convinced that the U.S. occupation was no longer necessary, the United States withdrew the Marines, but they returned a few months later, ostensibly to protect U.S. and other foreign property. This time they stayed until 1933. The new U.S. strategy was to arrange a peace settlement among rival elite factions that would give all an opportunity to share in the political spoils, but the real power remained in the hands of the United States. Only Augusto César Sandino refused to accept the U.S.-sponsored peace treaty of 1927. The mestizo son of a liberal landowner and an indigenous servant girl, Sandino had lived in postrevolutionary Mexico, where he had been exposed to radical nationalist and social revolution-

ary ideas. He had returned to Nicaragua in 1926 to join the struggle against a puppet regime, but José María Moncada, leader of one faction, immediately distrusted Sandino because Sandino spoke of “the necessity for the workers to struggle against the rich and other things that are the principles of communism.” Although no Marxist, Sandino was a revolutionary leader who had profound sympathy with all the disinherited and planned to make far-reaching social and economic changes after achieving his primary goal: the departure of U.S. troops.

Unable to secure an independent command under Moncada, Sandino organized his own force, consisting mainly of miners, peasants, workers, and indígenas. “I decided,” he wrote, “to fight, understanding that I was the one called to protest the betrayal of the Fatherland.” For seven years (1927–1933), Sandino’s guerrilla army waged war against the U.S. Marines and the U.S.-sponsored Nicaraguan National Guard. Learning from early defeats and heavy losses when he attempted to meet the enemy in frontal combat, Sandino developed a new kind of warfare based on hit-and-run attacks, ambushes, and temporary occupation of localities. Most important of all, he cultivated close ties with the peasantry, who provided a supply base for the guerrillas and gave them accurate information about enemy movements and other assistance.

In the United States, meanwhile, the war was growing increasingly unpopular, and eventually Congress cut off all funding for it. The new Hoover administration decided to extricate itself from the Nicaraguan quagmire, but without loss of control. The instrument of that control would be a powerful National Guard, created by the Marines in 1927 and trained and equipped by them. In February 1932, Secretary of State Stimson announced the withdrawal of one thousand Marines in Nicaragua, the rest of whom were to be recalled after the U.S.-supervised presidential election in November.

Juan B. Sacasa won the elections and sought to promote national reconciliation. First, he accepted the advice of the U.S. Minister to Nicaragua,



General Sandino (*second from left*) and his staff. Third from left is Salvadoran Agustín Farabundo Martí. (The soldiers at left and right are unidentified.) [Corbis]

who had picked Anastasio Somoza García as the new National Guard director. Second, Sacasa proposed a peace conference with Sandino, who had promised to lay down his arms after the Marines left on January 2, 1934. But Sandino profoundly mistrusted Sacasa's entourage, especially Somoza, who demanded that Sacasa order the total disarmament of the Sandinistas. During the negotiations that followed, Sandino angered Somoza by insisting on the National Guard's dissolution. Unbeknownst to Sacasa, Somoza promptly ordered his arrest and execution. It was Somoza's first step toward the establishment of a tyranny that would oppress the Nicaraguan people for well over four decades.

### THE SOMOZA ERA, 1934–1979

Following Sandino's assassination, Somoza gradually consolidated his political power, more and more openly defying President Sacasa. With the aid of a paramilitary force known as the Blue Shirts, Somoza easily secured election to the presidency in 1936, taking care to combine the post with that of director of the National Guard. With the Guard at his disposal, Somoza had no difficulty extending his term of office indefinitely, ruling directly as president or indirectly through puppet presidents until 1956, when he was assassinated, or *ajusticiado* (brought to justice) as Nicaraguans saw it, by the young poet Rigoberto López Pérez.

Thoroughly cynical and self-seeking, Somoza was obsequiously pro-U.S. because he understood that his power depended on U.S. support. The saying ascribed to President Franklin D. Roosevelt, "Somoza is an S.O.B. but he is our S.O.B." may be apocryphal, but it accurately summarized Somoza's relations with the U.S. government, which rewarded him with loans and assistance in establishing a military academy to turn out officers for the National Guard. Graduates of the school usually spent their senior year at the School of the Americas, the U.S. military training center in Panama.

Following Somoza's assassination in 1956, his two sons, Luis and Anastasio Somoza Debayle, took over and ruled Nicaragua either directly or indirectly until 1979. Differences between the Somozas' ruling styles reflected their adaptations to the changing phases of U.S.–Latin American policy. The relative mildness of Luis's rule appeared to reflect the reformist and developmentalist stress of the Alliance for Progress of the 1960s. In fact, all three dictators ruled Nicaragua as a personal estate for their benefit and that of their domestic and foreign allies. By 1970 the Somoza family controlled about 25 percent of the country's agricultural production and a large proportion of its industry; the total wealth of the family approximated \$500 million.

U.S. firms also enjoyed profitable investment opportunities in the food-processing industry and mining. Both foreign and domestic employers benefited from the regime's repressive labor policies, but Nicaraguan capitalists grew increasingly unhappy with the Somoza family's penchant for monopoly. The church, originally aligned with the Conservative Party, shifted its support to the first Somoza and generally remained loyal to the family until the 1960s, when it joined the Christian Democratic Party in opposition to Anastasio Jr.'s plans for his perpetual reelection. From first to last, however, the ultimate domestic foundation of the family's power was the National Guard, whose top command always remained in the hands of a Somoza.

While the dynasty and its allies prospered, the Nicaraguan people's economic and social condi-

tion steadily worsened as a result of the unchecked exploitation of rural and urban labor and the developmental programs of the Somoza era. Responding to growing world demand for new products, especially cotton, the Somozas opened up new lands to the planter class. Once again, as during the coffee boom a century earlier, many peasant families were driven from the land and into the cities. Nicaragua under the Somozas had one of the most extreme disparities in income distribution in Latin America; in 1978 the lower 50 percent of the population had an annual per capita income of \$256.

Resistance to the Somoza dictatorship had begun in the 1950s, with a series of unsuccessful revolts led by the irrepressible Pedro Joaquín Chamorro, publisher of the highly respected *La Prensa* and son of parents from two of the most powerful oligarchic clans. His elite background explains why he was pardoned and allowed to return to Managua after each revolt. However, a more serious threat to the dictatorship arose with the formation in 1961 of the Sandinista Front for National Liberation (FSLN) founded by Carlos Fonseca, Silvio Mayorga, and Tomás Borge. Composed largely of students, its initial efforts to organize guerrilla warfare in the mountains met with defeat, but the rebels gradually improved their tactics and organization, attracting a growing number of recruits. Over time, they combined the tactics of rural insurgency and clandestine political organization, which characterized prolonged popular war.

A turning point in Nicaragua's recent history was the devastating 1972 earthquake that killed ten thousand Nicaraguans and reduced the entire center of Managua to rubble, wiping out almost all businesses. There was immense public indignation over the shameless behavior of the Somozas, who diverted large amounts of foreign international aid into their own pockets and those of the National Guard. The center of Managua remained "an unreconstructed moonscape," for Somoza and his cronies had bought large parcels of land on the periphery of the city where they built new houses and shops, profiting from the disaster.

In January 1978 the Somozas committed an act of folly that largely contributed to their downfall. *La Prensa* had published a series of articles about

a commercial blood-plasma operation through which Somoza sold the blood of his people in the United States. Stung by the criticism and resulting popular outrage, the family or one of its supporters ordered Pedro Joaquín Chamorro's liquidation. The murder of a popular journalist provoked an effective general strike that ended only after considerable violence and repression by the National Guard, but its repercussions continued. The crime alienated elites who had tolerated the regime's murder, jailing, and torture of peasants and Sandinistas but condemned the killing of a member of an old privileged family like Chamorro.

The FSLN gained organizational strength from the Chamorro affair, the general strike, and a brutal National Guard attack on an indigenous community commemorating the forty-fourth anniversary of Sandino's assassination. This contributed to a general broadening of the resistance movement. In August 1978 twenty-five Sandinista guerrillas audaciously invaded the National Palace and seized as hostages most members of the Chamber of Deputies and some two thousand public employees. After frantic negotiations, Somoza agreed to release fifty-nine Sandinista prisoners, pay a huge ransom, and arrange a safe flight to Panama for the guerrillas and released prisoners. This encouraged a prolonged general strike and a spontaneous uprising in the city of Matagalpa by *muchachos* (youngsters) who held out for two weeks and forced the National Guard to retreat to their barracks. On September 8 the FSLN launched coordinated uprisings in five cities. With their headquarters surrounded by civilian and FSLN combatants, the Guard called in Somoza's air force for a ferocious bombing of the cities before government ground forces retook the cities one at a time. This was followed by a house-to-house search in a genocidal "Operation Cleanup," with a death toll of some five thousand people.

Alarmed by the September uprisings, the United States attempted to mediate a compromise between Somoza and his traditional elite opponents through a committee of the Organization of American States (OAS). Some anti-Somoza factions soon withdrew from the mediation process, charging that the OAS commission wanted "So-

*mocismo* without Somoza." This and Somoza's obstinate refusal to resign frustrated the U.S. initiative. Meanwhile, the FSLN, overcoming tactical differences among three internal factions, created a unified nine-man directorate to lead the popular movement to victory.

Both sides now mobilized for a final struggle. Somoza prepared for the worst by liquidating his vast assets and shipping his capital abroad. Meanwhile, the FSLN, aided by Western European Social Democratic Parties and governments as politically diverse as those of Costa Rica, Panama, Venezuela, and Cuba, restocked its arms supply with weapons purchased on the international arms market. The regular FSLN army expanded from a few hundred to several thousand. Throughout the country, the network of neighborhood defense committees established after the September revolts worked feverishly to prepare for the coming struggle by stockpiling food and medical supplies. *Comunidades de base* (Catholic grassroots organizations) took an active part in these preparations.

In June 1979 the FSLN announced a general strike and launched a final offensive, infiltrating Managua and occupying *barrios* on both sides of the central zone. Somoza, retreating into his recently constructed bunker in the fortress of La Loma, ordered a counterattack that included a massive air and artillery bombardment of the city. By July 5 the Sandinistas had encircled the capital, leaving only one way out via the airport six miles east of the city. The Sandinistas could have taken it at will but allowed it to remain in the government's hands, perhaps to give the Somozas and their entourage an opportunity to leave the capital. With victory in sight, the Sandinista directorate named a provisional government—a five-member junta that included three Sandinistas; Alfonso Robelo, the leader of the business opposition to Somoza; and Violeta Chamorro, the widow of the martyred Pedro Joaquín Chamorro.

Meanwhile, the United States made last-minute efforts to prevent the coming to power of a radical revolutionary regime. It called on the OAS to send a "peacekeeping" force to Managua but was unanimously rebuffed. Then it sent a special envoy to Nicaragua to try to persuade the FSLN to broaden the

base of the new junta. But the Sandinistas pointed out that they had already made a large concession by including wealthy business representatives, Robelo and Violeta Chamorro, in the junta. Inclusion of the persons nominated by the United States—a general of the National Guard and a personal friend of Somoza—would have ensured the preservation of “Somocismo without Somoza.”

Under intense pressure from Archbishop Miguel Obando y Bravo and people in other influential quarters to accept his inevitable defeat and to spare the capital a new assault, Somoza agreed on July 16, 1979, to go into exile in Florida. The next day he drove to the airport and left Nicaragua forever. Two days later the FSLN and its government entered Managua.

### THE SANDINISTAS IN POWER, 1979–1990

The cost of the Sandinista victory in lives and material destruction was enormous. Estimates of the dead ranged up to fifty thousand, or a loss of 2 percent of Nicaragua’s population. The material damage was estimated at \$1.3 billion; the national debt, a large part of which represented sums that Somoza had diverted into his foreign bank accounts, stood at \$1.6 billion.

The government of national reconstruction included the five-member junta, its cabinet or ministries of state, and the council of state, a legislative and consultative assembly that represented a broad variety of popular organizations. The composition of these bodies reflected the Sandinista leaders’ desire to create a pluralistic system to solve the country’s problems. In the first cabinet, in addition to Marxists like Tomás Borge, minister of the interior, and Jaime Wheelock Román, minister of agriculture, sat two bankers and two Catholic priests, the Maryknoll Father Miguel D’Escoto and the Trappist monk Ernesto Cardenal, “making Nicaragua probably the only country in the world with Catholic priests in the cabinet.” From the first, however, it was understood that these formal organs of government were responsible to the nine-member directorate of the FSLN that had created them. The directorate had direct control of the Sandinista armed forces and police. Although it

had promised elections, the directorate soon found itself at war because of CIA-organized efforts to overthrow the Sandinista regime, which delayed elections until 1984.

Economic problems dominated the new government’s agenda. One immediate goal was to repair the ravages of the war and the 1972 earthquake, a task mainly entrusted to the municipalities and the Sandinist Defense Committees. It was completed with such speed that visitors to Nicaragua in the fall of 1979 marveled at the relatively normal appearance of the country. Food shortages were another serious problem and required the importation of great quantities of foodstuffs, mostly financed with foreign donations. Meanwhile, emergency food crops were planted so domestic supplies of food would be available by the middle of 1980. The work of repair was combined with food-for-work schemes to provide a temporary solution for the vast unemployment that was a legacy of the war.

What to do about the national debt was a vexing question for the new government, for it knew well that many of the more recent loans had served only to swell the bank accounts of Somoza and his cronies. But it agreed to pay all the loans, even the corrupt ones, for both economic and political reasons. The Sandinistas wanted to retain access to Western loans and technology; they also wished to disprove the charge that the new Nicaragua was a Soviet or Cuban “puppet,” solely dependent on the socialist bloc for economic and political support. The socialist countries, particularly the Soviet Union and Cuba, in fact did give considerable aid in the form of food shipments and other supplies. Cuba also sent large numbers of teachers and doctors to assist in the work of reconstruction.

The international lending agencies and Western governments hoped financial aid to Nicaragua would enable the country’s private sector to survive and keep the economy pluralistic. The principal difficulty in renegotiation arose with the United States. The Carter administration agreed to make a new loan of \$75 million, chiefly for aid to the private sector. When Ronald Reagan came to the presidency, however, he froze the remaining \$15 million of the loan, alleging without evidence

that Nicaragua had sent arms to rebels in El Salvador. Thereafter, Nicaragua had to rely for aid on the socialist countries, friendly social democratic governments of Western Europe, and Third World countries, including Brazil.

Although some Sandinista leaders viewed socialism as a more or less distant goal, the regime pursued a mixed-economy strategy of national development and recognized that private enterprise had a vital role to play in the country's economic reconstruction. However, the state became the most decisive and dynamic element in the economy, providing social services, particularly health, education, and housing. The state sector also grew because of the nationalization of extensive Somocista properties, which became the basis of the People's Property Area, including half the large farms over 500 hectares, a quarter of all industry, large construction firms, hotels, real estate, an airline, a fishing fleet, and more. The expropriation of Somocista holdings placed approximately 40 percent of the **gross national product (GNP)** in the state's hands. The banking system and foreign trade were completely nationalized.

These expropriations, however, left 60 percent of the GNP in the hands of the Nicaraguan capitalist class, which continued to control 80 percent of agricultural production and 75 percent of manufacturing. Thus, the country remained capitalist, with the state sector no larger than that of France, Mexico, and Peru in the 1970s. The Sandinista government's policy was to avoid radical changes that might cause a rupture with the "patriotic bourgeoisie," the results of which would be disastrous for the economy. Accordingly, it courted and maintained an alliance with some of the country's largest entrepreneurs. At the same time the government insisted on safeguards with respect to working conditions, wages, hours, and the like that would at least modestly improve the life of Nicaraguan workers. It also encouraged trade unions to monitor privately owned factories to prevent decapitalization, slowdowns in production, and other sabotage by capitalists hostile to the revolution. The result was a built-in tension between the government and a section of the business class. Partly because of this tension and partly because

of objective conditions—lack of foreign exchange to buy inputs, obsolete machinery, and other problems—private businessmen began dropping out of manufacturing or failing to invest.

The growth of the public sector was most marked in agriculture. By the end of 1979, the *Instituto de Reforma Agraria* (INRA) had confiscated without compensation all Somocista lands "almost universally held to be little more than stolen property." The government proposed to maintain the integrity of these estates, which accounted for one-fifth of Nicaragua's cultivable land, rather than to divide them into small parcels. Most of these lands were large farms that had been operated as capital-intensive enterprises, so parcelization would have resulted in heavy production losses. Consequently, many of these private estates became state farms. Others were organized as production cooperatives, called Sandinist agricultural communes. In late 1980 there were about 1,327 of these cooperatives. INRA simultaneously tried to improve the living conditions of state-sector workers through the establishment of clinics, schools, and housing projects. In 1980 more than fifty thousand workers worked full time in the state sector.

Although the government favored state farms and production cooperatives as basic agricultural units, small independent farmers were not neglected. Agricultural credit for small producers greatly expanded, and they were encouraged to form credit and service cooperatives. In 1979–1980 there were 1,200 of these co-ops organized; they received over 50 percent of the agricultural credit extended by the government in the same period.

Even after the confiscation of Somocista estates, large commercial farms producing such crops as cotton, coffee, cattle, and sugar still held 66.5 percent of Nicaragua's cultivable land. The relationship between this private agricultural sector and the revolutionary government was an uneasy one. Most of the large landowners despised the Somozas, resented their hoggish propensities, and welcomed their overthrow. But the rules of the game had changed, and the new rules were not always to their liking. Landowners could no longer mistreat their workers; they had to comply with

reform legislation defining the rights of tenants and workers.

Despite the government's assurances that it wanted to preserve a private sector, large landowners were understandably nervous about their future. The commercial farmers and cattle ranchers defended their interests through their own associations, which negotiated with the government over prices, acreage quotas, and the like. The commercial farmers had access to credit at low interest rates, and a coffee stabilization fund was established to protect growers against fluctuations in the world market. The economic importance of this sector is evident from the fact that in 1979–1980 it accounted for 62 percent of cotton production and 55 percent of coffee production.

The difficulties of Nicaraguan agriculture were not due primarily to inadequate volume of production but stemmed above all from falling world prices for its major export crops. Sugar, which sold for 24¢ a pound in 1981, sold for 9¢ in 1983. Natural disasters also hurt production of staple foods in 1982. In May flooding destroyed twenty thousand acres of just-planted basic grain crops, destroyed \$3.6 million in stored grains, and caused \$350 million in damage to the national economic infrastructure, according to a United Nations survey. A drought in July and August caused estimated losses of \$47 million. Finally, the CIA greatly increased the scale of its counterrevolutionary activity that had begun in 1981 and this forced the Sandinista government to divert manpower and resources to military purposes. This caused serious damage to Nicaraguan agriculture and to the economy in general—a major aim of the U.S. destabilization program.

The implacable pressure of the Reagan administration on Nicaragua represented a threat not only to its economy but to the existence of the revolutionary government. Reagan authorized formation of a paramilitary force of ex-National Guardsmen, with an acknowledged budget of \$19 million. In a move recalling the 1954 coup against Guatemala, Honduras was converted into a staging area for Nicaraguan operations. Beginning in 1981, Argentine and U.S. advisers trained the Somocistas (familarly called the *contras* by

both sides) and assisted them in making terrorist raids into Nicaragua, killing hundreds of Nicaraguan soldiers and civilians and destroying bridges, construction equipment, clinics, and agricultural cooperatives.

The “secret war” against Nicaragua escalated when Ambassador John Negroponte arrived in Honduras in 1982 to mastermind the operation. The CIA station in Honduras grew to an admitted fifty employees, plus a large number of secret agents, including many Vietnam veterans who were now mercenaries under contract to the CIA. To secure the Honduran military's cooperation in this “secret war,” U.S. military aid to Honduras, under \$2 million in 1980, grew to \$10 million in 1981, and may have reached as high as \$144 million in 1982–1983, with some of it coming from a hidden budget.

In March 1983 the operation moved into high gear when several thousand Somocistas and other mercenaries, supported by Honduran troops, invaded Nicaragua at several points on its northern border with Honduras. Simultaneously, in a gesture of “gunboat diplomacy” several U.S. warships were sent to Nicaragua's Pacific coast, ostensibly to monitor suspected movements of arms from Nicaragua to rebels in El Salvador. By the end of March, despite claims of victory from the invaders' radio, the Nicaraguan armed forces and militia had crushed the counterrevolutionary attacks, although the *contras* continued to make raids, mostly of the hit-and-run variety.

Under the hardest conditions, Nicaragua's Sandinista leadership continued its difficult struggle to stabilize the economy, expand social reforms, replace the revolutionary government with a parliamentary democracy, and solve long-standing problems like the demand for autonomy from the Miskito and Sumo peoples of Nicaragua's Atlantic coast. In the same period the United States intensified its “covert” war against Nicaragua, provided the *contras* with supplies and logistical support, mined Nicaraguan harbors, and even issued a manual for use within Nicaragua instructing the *contras* in terrorist methods—including the liquidation of government officials and progovernment activists. The “covert” war flouted U.S. laws, treaty

obligations, and international law. In June 1986, the World Court, acting on a complaint by Nicaragua, ordered the United States to halt all its military and paramilitary actions against Nicaragua, but the Reagan administration, refusing to accept the court's jurisdiction, disregarded the order.

Despite hundreds of millions of dollars' worth of U.S. financial and military aid to the contras, in early 1986 Nicaraguan President Daniel Ortega celebrated the rebels' "strategic defeat." A major factor in this "victory," despite stepped-up U.S. aid, was growing Sandinista military effectiveness and superior morale. But the Reagan administration had not sought a contra military victory. The administration's aid to the contras was meant to sustain a "low-intensity conflict" designed to wear down the Nicaraguan government and disrupt its economy. It sought to create hardships that forced the Sandinistas to divert precious resources from social programs to its army, undermined the regime's popular support, and thereby eventually produced an internal collapse.

The war contributed to a sharp decline in the Nicaraguan economy between 1983 and 1990. The GDP fell by 30 percent in 1985 alone and continued to fall until the "covert war" ended; inflation reached an annual rate of 10,000 percent in 1988; and severe shortages of goods of every kind prevailed. But the war was not the sole factor responsible for the economic decline. Other causes included deterioration in the terms of trade for Nicaragua's exports; the U.S. trade embargo of May 1985, which isolated Nicaragua from its traditional export market and from a source of goods and technology difficult to replace; and the unwillingness of some private sector interests to invest in maintaining and expanding Nicaragua's production.

The Nicaraguan government responded to the economic crisis with measures to stimulate production by increasing prices paid for basic grains and other staples, while protecting the real value of salaries and wages by periodic adjustments to compensate for inflation. It expanded trade with the European Economic Community and the socialist bloc to compensate for the loss of the U.S. market. Last, it redesigned the agrarian reform to

make more land available to individual peasants as a means of stimulating production of basic grains.

In 1979 the Sandinistas had promised to hold elections by 1985, but the need to refute U.S. charges that their regime was undemocratic and illegitimate led to an acceleration of the timetable. In November 1984, Nicaraguans went to the polls to vote for a president, a vice president, and a ninety-member national assembly that would draft the country's constitution. Opposition poll watchers and a large number of foreign observers, including a task force of the Latin American Studies Association (LASA), the major organization of Latin American scholars in the United States, found no evidence of irregularities in the voting or the vote-counting process. The Sandinista Front received 67 percent of the vote, the rest going to opposition parties. In January 1985, Daniel Ortega Saavedra and Sergio Ramírez Mercado took office as president and vice president, respectively.

The new constitution, adopted after intense democratic discussion and debate at mass meetings throughout the country and in the national assembly, established political pluralism, a mixed economy, and nonalignment as its guiding principles, and divided power among the executive, legislative, judicial, and electoral branches. It guaranteed individual and social rights, including the rights to a job, education, and health care; free expression of opinion and association; the right to strike; and the right to a fair trial. The constitution also sought a definitive solution for the troubled relations between the central government and the indigenous peoples of the Atlantic coast.

#### **SELF-DETERMINATION FOR ATLANTIC COAST PEOPLES**

The Sandinistas inherited a long history of state neglect of coastal peoples, who consequently distrusted government. The Sandinistas acknowledged that they had made serious errors in their effort to integrate indigenous peoples into the revolution because the government failed to take account of their unique culture and traditions. Complicating matters, Reagan and his contra surrogates exploited Sandinista errors and

misunderstandings to draw Atlantic coast peoples to the side of counterrevolution.

In 1981 the Nicaraguan government, to prevent their use as a contra military base, forcibly evacuated thousands of Miskitos and Sumos from ancestral lands along the Coco River, destroyed their villages, and resettled the refugees in camps away from the threatened coastal area. Although the camps provided them with improved health care, food subsidies, education, and improved housing and electricity, they remained strongly attached to their village lands and viewed the camps as prisons. As a result, several antigovernment native-based guerrilla groups arose on the Atlantic coast. However, U.S. efforts to pressure the Miskitos into an alliance with the major contra groups, as a condition of military and financial aid, also produced splits that the Sandinistas exploited to negotiate cease-fire agreements with individual indigenous commanders.

Two major Nicaraguan government initiatives paved the way for a solution of the Atlantic coast problem. First, in 1984 the government created a commission to define an autonomous status for the Atlantic coast peoples under the new constitution. The ensuing dialogue led to a compromise that recognized the right of the Atlantic coast peoples to autonomy and guaranteed the preservation of their languages, religions, cultures, and social organization. They would elect their own representatives to the national Congress and use their resources to satisfy their own needs, as determined by a regional assembly. Second, in 1985, Interior Minister Tomás Borge announced that the Miskitos living in relocation camps would be allowed to return to the Coco River area.

### WOMEN AND THE REVOLUTION

Women also gained appreciably from the revolution, in which they had played a large role militarily, economically, and politically. Making up one-third of all combatants, many women had joined the guerrilla army; others had organized all-women battalions like the Juana Elena Mendoza Infantry Company; and some, like Doris Tijerino and Dora

María Téllez, had become respected field commanders. Although their participation in the regular army after 1979 declined to about 20 percent, women were especially active both in local civil defense committees and the popular militias, where they made up 60 percent of urban contingents.

Most women had always worked both inside and outside the home, but before the revolution, their waged labor (estimated at 48 percent of the labor force) had tended to be relatively invisible and greatly undervalued, concentrated in the informal sector and domestic service. After the revolution, labor legislation guaranteed equal pay for equal work, paid maternity leave, and legal protections against the dismissal of pregnant women. Of course, private employers frequently ignored these laws, and the revolutionary government, due to the contra war, often lacked the necessary financial resources to enforce them. But these laws, instead of providing traditional protections to employers, now placed the state on the side of women, their trade unions, and mass organizations like the Nicaraguan Women's Association (AMNLAE).

Moreover, as the state sector of the economy grew and an escalating contra war absorbed more men, women's waged employment expanded: in 1985 women comprised 50 percent of state employees, 70 percent of coffee harvesters, and 70 percent of textile workers. This naturally raised the issue of the inequitable "double workday," wherein women, in addition to laboring eight hours in the factory or field, worked nine to twelve hours at home whereas their husbands worked less than an hour at household chores. To remedy this injustice, the Sandinistas encouraged men to assume their fair share of domestic responsibilities and by 1988 also funded daycare centers—182 at urban workplaces and 69 on state farms. But once again wartime fiscal demands sabotaged this initiative.

Women made up nearly two-thirds of the *brigadistas* who participated in the Sandinista literacy crusade that between 1979 and 1980 reduced illiteracy from 50 to 12 percent. Thereafter, Popular Education Collectives (CEPs) allowed mostly rural people to select local teachers whose instruction would further develop literacy skills; 95 percent of

these teachers were women. Free, universal education for adults and children six to twelve years of age was the Sandinista revolution's commitment; before 1985 nearly four thousand new classrooms were built, and the number of primary school teachers, again mostly women, tripled. Here again, however, the contra war intervened; by the late 1980s, fewer resources were available for education, and illiteracy rates climbed to 23 percent.

Politically, the revolution facilitated women's participation in the leadership of the FSLN Party, the national government, and grassroots organizations. In the 1984 and 1990 parliamentary elections, women comprised almost 20 percent of the FSLN candidates and almost 22 percent of those Sandinistas elected to the legislature. In 1994 the party decided to allot 30 percent of leadership positions to women, who also made up 34 and 43 percent, respectively, of their department and national legislative candidates in the 1996 elections. By decade's end, almost one-third of FSLN legislators were women.

By 1990 prolonged popular war and revolution had produced some startling achievements in the Sandinista effort to reorganize Nicaraguan society and promote a more egalitarian national development, but there remained powerful opponents, domestic and foreign. Moreover, a decade of U.S. intervention had destroyed Nicaragua's economy, fractured its fragile political alliances, and destabilized the social order. U.S. intervention had a similar impact on the revolutionary movement in El Salvador.

## El Salvador

The history of El Salvador, the smallest and most densely populated country in Central America, presents in exaggerated form all the region's economic and social problems: extreme dependence on a single crop, making the economy vulnerable to fluctuations in price and global market demand; a marked concentration of land and wealth in a few hands; and intolerable exploitation of the peasantry, accompanied by ferocious repression of all protest or revolt.

## THE POPULIST FLIRTATION

Ironically, however, the early twentieth century bore witness to considerably more political freedoms, at least among the landed aristocracy. Although nineteenth-century liberal reforms had promoted a concentration of land ownership in El Salvador, the coffee oligarchs, largely orchestrated by the Meléndez and Quiñónez families, had developed a political consensus that allowed them to deploy various weapons of social control. Moreover, before World War I, the demand for coffee had not appreciably affected the nation's labor markets, and *finqueros* still relied on a healthy supply of migrant and resident workers. Consequently, in addition to the National Guard's usual repressive violence, the Salvadoran elite also created mass-based political organizations like the Liga Roja to co-opt and contain urban middle-class peasant and working-class challenges to its power.

Driven by a postwar prosperity, however, coffee markets expanded by 50 percent during the 1920s. The coffee oligarchs responded, both by dedicating more acreage to coffee and by securing new supplies of labor. This deprived more peasants of their traditional milpas, the subsistence plots that were the bedrock of peasant survival and transformed them into full-fledged proletarians: propertyless people whose survival depended exclusively on the sale of their labor.

The economic and social problems generated by the coffee monoculture became more acute with the advent of the Great Depression in 1929. Campesinos who made 50¢ a day before the Depression had their wages reduced to 20¢ a day. The price of coffee was cut in half between July 1929 and the end of the year, ruining many small producers and forcing them to sell their lands. High unemployment and below-subsistence-level wages added to the discontent caused by harsh treatment by overseers and frauds practiced by company stores.

Even before the Depression, the National Guard had been busy suppressing peasant revolts, but in the 1920s urban workers and some peasants began to form unions. In 1925 a small Communist Party began to operate underground;

its leader, Agustín Farabundo Martí, had studied Marxism at the national university. Expelled from El Salvador in 1927 for his radical activities, Martí joined Augusto César Sandino in his fight against the U.S. Marines in Nicaragua. Martí returned to El Salvador in 1930 and again plunged into political activity. Aided by a small group, mostly university students, he carried out propaganda and organizational activity among peasants in the central and western parts of the country.

Against this background of depression and growing radicalism, perhaps the first free presidential election in Salvadoran history occurred. The winner was the wealthy landowner and civil engineer Arturo Araujo, whose admiration for the British Labour Party led him to conclude that an enduring social peace required class harmony and modest populist reforms, like improving education, defending the rights of women and workers, and promoting limited land redistribution. His election caused much disquiet among the coffee planters and the military. The new president immediately ran into storms: teachers and other public servants clamored for back pay, and peasants demanded land and other reforms, while the coffee oligarchy and the military pressed him to make no concessions.

On December 21, 1931, a military coup ousted Araujo and installed General Maximiliano Hernández Martínez as president. The coup signified the end of direct rule by the oligarchy and the beginning of a long era of military domination. The fall of Araujo and the rise of Hernández Martínez to power closed the door to popular participation in politics. Convinced that the new regime had no intention of allowing reforms or free elections, Martí and other radical leaders decided on insurrection. Simultaneous uprisings were planned for several towns on January 22, 1932, but the authorities got wind of the plot and arrested Martí and two of his aides. Other rebel leaders then tried to call off the revolt, but communications had broken down, and the largely indigenous revolt began without its ladino leadership.

In town after town, these campesinos rose up, often armed only with machetes. Having taken

over much of the western area of the country, they attacked the regional center of Sonsonate. Here, the cacique José Feliciano Ama led a revolt that fused long-standing class, racial, and ethnic grievances. The unequal combat between peasants armed with machetes and the garrison, supported by the Guard and other police units, all armed with modern weapons, ended in total defeat for the insurgents. In a few days the captured towns were retaken. Then the oligarchy began to take its revenge, relentlessly hunting down the “communists”—that is, any peasant whom landowners refused to protect. As many as thirty thousand peasants died in this *matanza* (massacre), which verged on genocide by wiping out indigenous dress, languages, and cultural traditions. Ferocious repression was the coffee oligarchy’s way of teaching the peasantry a lesson and ensuring social stability. The history of El Salvador since 1932 shows just how vain that expectation was.

#### OLIGARCHS AND GENERALS, 1932–1979

The coup that installed Hernández Martínez in the presidency marked a turning point in modern Salvadoran history. Terrified by the peasant uprising of 1932, the oligarchy struck a bargain that allowed the military to hold the reins of government while the oligarchy directed the country’s economic life. A network of corruption that permitted the officer class to share in the oligarchy’s wealth cemented their alliance. Nevertheless, the persistence of reformist tendencies among junior officers and a growing faction of agro-industrialists involved in the coffee-processing industry periodically produced tensions that threatened the alliance.

Hernández Martínez, known as *El Brujo* (the Witch Doctor) because of his dabbling in the occult, maintained a tight rule over the country through his control of the army and the National Guard until 1944. In addition, power and access to wealth were concentrated in a clique of Hernández Martínez’s cronies. This created discontent among junior officers, who allied with agro-industrialists and urban professionals, inspired by wartime

rhetoric about democracy, to overthrow Martínez and demand political reform, women's suffrage, economic modernization, and agricultural diversification. This populist "Revolution of 1948," championed by Colonel Oscar Osorio, inaugurated a decade of import-substitution industrialization, expanded cotton cultivation, and greater export dependency, all under the watchful eye of the military and its oligarchical allies. Then in 1961, alienated by the civilian-military junta's increasingly progressive program, its mobilization of popular sectors, and its friendly relations with Cuba, Colonel Julio Alberto Rivera joined with the U.S. embassy to organize an "anticommunist" coup d'état that restored the military's monopoly of power.

Rivera established a system patterned on the Mexican idea of a single dominant party that would perpetuate itself in power by holding elections every five years and employing fraud, coercion, and co-optation to maintain control. This allowed a number of opposition parties to exist. The most important were the Christian Democratic Party (PDC), headed by José Napoleon Duarte, mayor of San Salvador from 1964 to 1970; a Social Democratic Party, *Movimiento Nacional Revolucionario* (MNR), led by Guillermo Manuel Ungo; and the *Unión Democrática Nacionalista* (UDN), a front for the Communist Party, which had been illegal since 1932.

As the economic difficulties of the country multiplied during the 1960s and 1970s, however, the strains within the system grew, and it became increasingly unworkable. The roots of the problem lay in the monoculture that made the country dependent on a world market over which it had no control and a system of land tenure and use that progressively reduced the land area available to small landowners and staple food production.

Land monopoly and the prevailing system of land use led to population pressure on land, a problem greatly aggravated by the population explosion. Thanks to the eradication of yellow fever and malaria and to the successes of preventive medicine, the population shot up from 1,443,000 in 1930 to 2,500,000 in 1961 and 3,549,000 in 1969. By 1970 the population density was about

400 per square mile. The swelling population put great pressure on wage levels: the average daily wage for a field hand in the early 1960s was about 62¢ a day, for an overseer or *mayordomo*, a little over \$1.00 a day. Because labor on coffee plantations was seasonal and a peon was lucky to get 150 days of work a year, the labor of an entire family for that period might yield a total yearly cash income of \$300.

With land reform ruled out as a solution for land hunger and population pressure, Rivera attempted another remedy: industrialization and economic integration through the creation of the Central American Common Market (CACM) in 1961. The expectation was that unrestricted flow of goods and capital throughout the area would stimulate an expansion of markets and industrialization, relieving population pressure and unemployment. Unfortunately, this industrial expansion took place without a corresponding growth in employment, for the new industries were capital intensive and required relatively few workers. Also, much of the new industry was foreign owned, geared to exports, and largely limited to the assembly of imported components.

The problem of population pressure on the land grew much more acute as a result of the "Soccer War," which took several thousand lives and left at least one hundred thousand Salvadorans homeless. The war followed a series of hotly contested games between Honduras and El Salvador in the qualifying rounds of the 1969 World Cup. However, its causes included a long-standing border dispute and Honduran resentment over the marked imbalance of trade between the two countries that resulted from the operations of CACM. Honduras, an extremely underdeveloped country whose economy was largely based on bananas, lumber, and cattle, felt that it subsidized the industrial development of El Salvador. The third and decisive cause of the war was the presence in Honduras of some three hundred thousand illegal Salvadoran settlers. Following adoption of an agrarian reform law, Honduras had ordered the expulsion of some eighty thousand settlers. El Salvador retaliated by invading Honduras. The war, which was very popular

in El Salvador, nonetheless negatively affected the country. El Salvador lost the Honduran market for its manufacturers for over a decade, and the return of Salvadorans from Honduras swelled the number of landless and homeless peasants.

These developments contributed to the growing economic and social crises of the 1970s. Population growth continued to outstrip the food supply; among the Latin American countries, only Haiti's people had a lower caloric intake than El Salvador's. By the early 1970s, unemployment was 20 percent and underemployment was 40 percent; in 1974 the annual inflation rate reached 60 percent. The proportion of landless peasantry rose from 11.8 percent in 1950 to 41 percent in 1975. The calamitous economic situation gave opposition parties hope for victory in the 1972 presidential election, prompting the Christian Democratic Party, the MNR, and the Communist UDN to form a united front: the *Unión Nacional Opositora* (UNO). Its presidential candidate, José Napoleon Duarte, clearly won the election, but the electoral commission fraudulently announced a victory for the military candidate, Colonel Arturo Molina.

Clearly, the military and the agrarian wing of the coffee oligarchy had become impatient with the agro-industrialists and their modest reform agenda, which, despite their protests to the contrary, never seemed to pacify the nation but instead merely provided political space for popular sector mobilization. As a result, the Molina regime increasingly relied on repression to preserve order. In 1975, hoping to promote the emerging tourist industry, Molina hosted the 1975 "Miss Universe" pageant and spent about \$30 million on the show. In a country with so many unfilled social needs, this impressed many Salvadorans as a scandalous extravagance and they protested. Units of the National Guard—without any provocation—fired on them, killing at least thirty-seven, while many others "disappeared." The massacre was part of a pattern of growing violence. With increasing frequency, guerrilla organizations proliferated, kidnapping members of the oligarchy for ransom. In the countryside, the National Guard, aided by paramilitary organizations like ORDEN (*Organización Democrática Nacionalista*), conducted

sweeps against "subversive" peasants, surrounding and destroying villages, killing many villagers, and abducting others who eventually "disappeared."

After another fraudulent election in 1977 ended all hope of reform via the electoral process, the spiral of violence marked the opening of a pre-revolutionary stage of Salvadoran political development. Revolutionary organizations mobilized their forces and attempted to overcome their ideological and tactical differences. They robbed banks, seized radio stations to broadcast propaganda, kidnapped oligarchs for ransom, and assassinated persons identified with official or unofficial repression. There was a rapid growth of labor and peasant unions and other mass movements, known collectively as *Fuerzas Populares* (Popular Forces), and of umbrella organizations, such as FAPU (Front for United Popular Action), which organized many groups for joint action against the government. Meanwhile, the National Guard, the National Police, and other security forces, as well as death squads and terrorist organizations like ORDEN and the White Warrior Union, continued their repressive activities.

A major development of this period was the changing posture of the church toward the Salvadoran crisis. Prior to the Second Vatican Council (1962) and the Medellín Bishops' Conference, the church in El Salvador—as elsewhere in Latin America—had supported the regime and the oligarchy. Although most of the hierarchy continued that tradition, Archbishop Luis Chávez y González and his successor Oscar Romero embraced the teachings of Vatican II and Medellín, committing themselves to what Romero called "the preferential option for the poor." One result of this ferment in the church was the formation in a few short years of hundreds of *comunidades de base*, which combined Bible study with attention to the economic and social problems of their localities. The messages the priests brought to their parishioners was that God is "a God of justice and love who acts on the side of the poor and oppressed" and that the people "have a basic human right to organize in order to begin taking control of their own lives."

Their social activism inevitably marked the priests as targets for security forces and paramili-

tary death squads like the White Warrior Union, which murdered the Jesuit priest Rutilio Grande in March 1977. A few months later, leaflets urging Salvadorans to "Be a Patriot! Kill a Priest!" circulated around San Salvador. Altogether, between 1977 and 1979, death squads or security forces killed seven priests. Father Grande's death, three weeks after Romero became archbishop, contributed to what the archbishop referred to as his "transformation." Thereafter, Romero used his position to denounce the regime's human rights violations and to plead for social justice. His sermons, transmitted via radio to almost every part of the country, "became the single most-listened-to program in the nation."

The church also helped organize human rights groups like COMADRES, mothers of the imprisoned, assassinated, or "disappeared." Created in 1977, COMADRES courageously protested against the repression with public demonstrations, hunger strikes, and sit-ins at government buildings. According to a founding member, Alicia, their objectives were symbolized by their attire: a black dress to mourn the dead, a white scarf to celebrate "peace with justice, not . . . impunity," a red carnation to recall the bloody dictatorship, and its green leaves to represent "the hope for life." In response, military and paramilitary forces bombed their offices five times, threatened to "decapitate" them, and kidnapped, tortured, and raped more than forty members.

As the crisis deepened month after month, divisions began to appear within the military. A group of reformist junior military watched with profound anxiety the revolutionary course of events in Nicaragua in July–August 1979; they became convinced that a reformist coup offered the only alternative to revolution. After regular consultations with Archbishop Romero, representatives of the Christian Democratic Party, and the U.S. embassy, which indicated it would not oppose such an action, the coup took place on October 15 with virtually no resistance from any garrison. A military-civilian junta, including two moderates, Román Mayorga Quiroz, rector of the Central American University, and the Social Democrat Guillermo Ungo, and two military representatives, Colonel Adolfo Majano

and Colonel Jaime Abdul Gutiérrez, now governed the nation. The junta's program called for dissolution of the terrorist ORDEN organization, respect for human rights, agrarian reform, freedom for the Popular Forces to operate, and improvement of relations with revolutionary Nicaragua.

The Popular Forces, meanwhile, regarded the junta with intense suspicion. On October 28 the National Guard fired on a demonstration by several organizations who demanded to know the fate of the many people who had "disappeared," leaving twenty-five people dead. In fact, the October 15 coup did not end repression by the security forces; they killed more people in the three weeks after the coup than in any similar prior period. Efforts by civilian junta members Mayorga and Ungo to restrain the official violence were totally ineffective.

As a result, they resigned in protest, and the military joined the Christian Democratic Party in a secret deal to create a new government. With two Christian Democrats replacing Mayorga and Ungo, the military committed itself to a limited program of agrarian reform, nationalization of banks, a cessation of all repression, and dialogue with the Popular Forces. Barely one week after accepting these conditions, however, the security forces fired on a massive demonstration of the Popular Forces, the largest in Salvadoran history, killing about twenty persons. This and similar repressive acts demonstrated the military's bad faith and caused a split in the Christian Democratic Party. The agrarian reform resulted from intense pressure by the United States, eager to give a reformist face to its protégé, even as James Cheek, the U.S. chargé d'affaires, advised the junta to conduct a "clean counterinsurgency war." Typical of its strategy of reform and repression, the junta announced a state of siege on the same day that it promulgated the agrarian reform.

The plan was to implement agrarian reform in three stages. Phase I called for nationalization of 376 estates larger than 500 hectares, belonging to 244 owners and consisting largely of pasture and cotton land. The owners were compensated with thirty-year bonds, and the estates were to be converted into cooperatives with 29,755 peasant members. However, three years later, only



Many women, like the Salvadoran guerrilla shown here, took part in recent Central American revolutionary struggles, and some held high positions in the guerrilla commands. [Bettmann/Corbis]

twenty-two cooperatives had received final title, although 130 owners had been paid for their farms. Phase II, which would have affected about 200 farms of 100 to 500 hectares, including most of the coffee fincas, “died before it was born.”

Phase III, called “Land to the Tiller,” allowed peasants who rented up to forty-two hectares of land to buy it from the owner. Three years later, only 58,152 applications had been received, roughly half the number eligible under Phase III provisions. Moreover, the junta issued only 1,050 permanent titles. The Salvadoran Peasants’ Union charged that even this limited achievement resulted from the need to provide the U.S. Congress with evidence that El Salvador was making progress in essential economic reform to secure continued economic and military aid.

This curious land reform was accompanied by a wave of repression directed above all against the peasantry. Responsibility for land redistribution was assigned to the army and the security forces,

who used their authority to favor members of the terrorist ORDEN organization in exchange for their help in targeting peasants who belonged to the Popular Forces or to the guerrilla movements. Sometimes they also collaborated with landowners to evict tenants from lands they had recently acquired under land reform provisions.

In December 1981 the Peasants’ Union reported that the “failure of the agrarian reform is an immediate and imminent danger.” The union claimed that ex-landlords and their allies, including members of the local security forces, murdered at least ninety of its officials and “a large number of beneficiaries” of the agrarian reform. The report also charged that twenty-five thousand former *aparceros*, or sharecroppers, had been evicted from their plots before they could obtain provisional titles. The junta’s inability to carry out the agrarian reform or to check the terror in the countryside showed that it merely provided “a civilian façade” for a military dictatorship.

The most prominent victim of the terror that accompanied the agrarian reform was Monsignor Oscar Romero, archbishop of San Salvador. For years his attacks on the military and the security forces for their violations of human rights had been a thorn in the government's side. Increasingly disillusioned with the Christian Democratic Party's role in the junta, he gradually moved toward supporting armed struggle as the only remaining resort. In a sermon on February 2, 1980, he proclaimed, "When all peaceful means have been exhausted, the church considers insurrection moral and justified." On March 23, responding to the repression that accompanied the land reform, he appealed to soldiers not to turn their guns on unarmed civilians. The next day, as he celebrated mass in a chapel in San Salvador, he was gunned down, probably by a military officer. Romero's martyrdom had profound political and military repercussions.

#### THE SALVADORAN REVOLUTION, 1980–1992

"If I am killed," Archbishop Romero had prophesied shortly before his death, "I shall rise again in the struggle of the Salvadoran people." His death, in fact, served as a powerful catalyst for the growth of that struggle. In particular, it hastened the breakup of the Christian Democratic Party and the unification of its opposition. In April 1980 a broad coalition of political parties, professional associations, trade unions, and revolutionary groups formed the Democratic Revolutionary Front (FDR), which soon set up a government-in-exile, headed by the Social Democratic leader Guillermo Ungo.

By midsummer of 1980, the five major guerrilla groups also united in a single command under the name, *Frente Farabundo Martí de Liberación Nacional* (FMLN), in honor of the leader of the abortive 1932 revolt. In January 1981 the FMLN launched its first general offensive and achieved significant successes, capturing M-16s from U.S.-equipped government soldiers. Within a few months, the rebels captured six hundred fifty firearms, including mortars and heavy machine guns, and about eighty thousand rounds of ammunition. By the spring of 1983, they had considerably expanded

the zones of their control. They dominated areas inhabited by some two hundred thousand people; in these areas, political power was based on a self-governing system called the *Poder Popular Local* (PPL).

To combat rebel successes, the military leadership changed and pursued a more aggressive strategy that relied on increased military aid from the Reagan administration, but this required it to improve the regime's image, holding elections to legitimize it with a "democratic" face. The elections, it was assumed, would give victory to the Christian Democratic Party and its leader, José Napoleón Duarte, who would preside over a modest reform program to win "hearts and minds" for the government. These reforms, combined with expanded military aid, were expected to lead to a speedy pacification of the country.

In compliance with U.S. wishes, elections for a sixty-member Constituent Assembly were held in March 1982. However, the FDR and guerrillas, insisting that fair elections were impossible under existing conditions, boycotted them. Less than a year earlier, the FDR's entire leadership had been assassinated. If the government could not guarantee the security of political leaders, it certainly could not protect grassroots campaign workers! As a result, oligarchical parties dominated these "demonstration elections," organized for the benefit of the U.S. government on which the Salvadoran military depended.

In any event, the electoral outcome did not conform to the Reagan administration's expectations. With only 35 percent of the vote, Duarte and the Christian Democrats proved unable to form a majority government. The Nationalist Republic Alliance (ARENA) of Roberto D'Aubuisson, the terrorist who orchestrated Romero's murder, garnered one-fourth of the vote and pressed for a coalition that would exclude the Christian Democrats. Thus, the elections appeared to legitimate D'Aubuisson and ARENA even as they imperiled U.S. congressional support for the military. Undaunted, however, Reagan pressured all parties to sign a pact for cooperation in the transition to a new constitutional government. As part of the deal, the U.S.-supported "moderate" banker

Álvaro Magaña became provisional president, limiting D'Aubuisson to leadership of the Constituent Assembly.

The Reagan administration's policy in El Salvador had one overriding purpose: at all costs to prevent the FMLN-FDR from coming to power. To ensure congressional support for the large infusions of military and economic aid needed to achieve this objective, the Reagan administration again strongly supported Duarte's 1984 presidential candidacy. At the same time, however, Washington demanded a more aggressive war against the rebels, which strengthened the Salvadoran military. With massive use of air power and large-scale sweeps into rebel territory, the armed forces attacked the civilian population to isolate the insurgents, thereby denying them the material and logistical support they needed to survive.

Soon it became evident that Duarte lacked the power, the resources, and perhaps the will to carry out his promises of social and economic reform. He presided over a moribund economy that survived due only to the immense largesse of the United States, which lavished \$2.7 billion in military and economic aid on El Salvador. But his political rhetoric had encouraged the labor movement to organize, call strikes, and engage in political activity even as paramilitary forces responded with more repression, including a revival of death-squad killings and disappearances. Duarte simply could not satisfy labor's economic and social demands over the opposition of the oligarchy, the army, and even the Reagan administration. On the other hand, he could not openly support repression without alienating the U.S. Congress and losing his base in the Salvadoran labor movement. Duarte solved his dilemma by denouncing repression in words, while sanctioning it in practice.

In 1986 the Duarte government announced an economic austerity program to help pay the costs of the war against the FMLN-FDR. The program included a 100 percent devaluation of the currency, steep taxes on basic goods and services, large increases in fuel prices, and reductions in already minimal social services, all measures that hit workers the hardest. In response, thousands of

angry workers abandoned Christian Democratic trade unions; joined a newly organized labor federation, the National Union of Salvadoran Workers (UNTS); and participated in an avalanche of strikes and demonstrations that ominously linked economic demands to calls for a negotiated end to the civil war. Archbishop Arturo Rivera y Damas, head of the Salvadoran church, strongly supported these demands, and Duarte's labor base virtually collapsed.

But the Reaganites still sought a military victory, and a massive influx of new U.S. military aid, including gunships and helicopters, undoubtedly changed the balance of forces in the civil war. U.S. reconnaissance flights from Honduras and the Panama Canal Zone helped pinpoint rebel columns and command posts, using infrared tracking systems. Unable to compete with the army in numbers and firepower, the FMLN developed a new strategy. The large battalion-size units broke up into small units of classic guerrilla warfare, evaded the army's sweeps, and returned after the army had left. The rebels, however, were still capable of launching major surprise attacks.

Believing a military triumph unlikely, the FMLN now aimed to mobilize trade unions, a growing antiwar movement, and other popular forces to create conditions for a "negotiated peace." But success also required a separation of the two oligarchical factions, the hard-line coffee planters, or "agrarians," and the moderate coffee processors, or "agro-industrialists," whose unstable marriage had contributed to the government's historical oscillation between repression and reform. The FMLN sought to encourage negotiations by making the war too expensive for the agro-industrialists, led by Alfredo Cristiani, a wealthy coffee processor and past president of their trade association, ABE-CAFE. U.S. sources estimated the 1979–1985 loss through economic sabotage at \$1.2 billion.

By 1988 the failure of the U.S. counterinsurgency strategy in El Salvador was apparent to all. The economy was in ruins, with industry operating at 40 percent of capacity. Riddled with corruption, the Duarte administration had proved unable to end the war, implement serious reforms,

or check the repression. The March congressional and local elections repudiated both Duarte and his U.S. sponsors. Most of El Salvador's eligible voters stayed away from the polls, allowing D'Aubuisson's ARENA to control parliament.

One year later, after a bomb at the National Federation of Salvadoran Workers (FENESTRAS) killed ten persons and wounded many others, the FMLN launched its most powerful offensive since 1981, striking at a number of cities, including San Salvador. Its main objective was to take control of the working-class quarters in the city's densely populated northern outskirts, where it enjoyed considerable political support. The government responded with a ferocious aerial bombing of these working-class barrios, but the FMLN held sections of the city for up to two weeks before withdrawing.

The concentrated bombardment of densely populated working-class barrios caused many civilian casualties and provoked an international outcry. A new wave of government repression, directed against church and labor critics, accompanied the bombardment. Six Jesuit priests and professors at San Salvador's Central American University, whom the military regarded as the "brains" of the uprising, together with their housekeeper and her daughter, were shot in cold blood.

The FMLN's offensive was designed to prove to the Salvadoran government and to the United States that, after nine years of war, the FMLN was stronger than ever and could not be defeated militarily. Moved by this demonstration of rebel power, and even more, perhaps, by the threat of a congressional halt to U.S. aid to El Salvador in reaction to the murder of the six Jesuits, the ARENA government agreed to U.N.-mediated peace negotiations without preconditions. This ultimately led to peace accords that ended the decade-long civil war in 1992. The agreement required the dissolution of the National Guard and Treasury Police, to be followed by creation of a new professionally trained National Civil Police that would be open to both former national police and FMLN guerrillas. It stipulated a 50 percent reduction in the size of the armed forces and disbandment of the U.S.-trained

Immediate Reaction Infantry Battalions, which had been charged with the commission of numerous atrocities. FMLN military structures were to be dismantled under U.N. supervision and their members integrated into the political and institutional life of the country, but the FMLN could form its own party and set up its own radio and TV facilities.

The accords also dealt with economic and social issues. The government agreed to implement the existing agrarian code and respect *de facto* land tenancy in "conflictive zones" under FMLN control during the war until it purchased land from absentee owners. The FMLN conceded the government's right to press on with "structural adjustment" policies, but the government in turn agreed to take measures to alleviate the social cost of those policies. With the support of the U.N. Development Program, the government agreed to develop a National Reconstruction Plan for the conflictive zones, involving infrastructural development as well as employment, education, housing, and health programs. Finally, the accords provided for the creation of a "Truth Commission," composed of three foreigners, who would investigate human rights abuses during the war and recommend prosecutions or other punishment for violators.

In 1993 the U.N.-sponsored Truth Commission released its long-awaited report. The report was based on the testimony of two thousand persons who had come forward, under promises of confidentiality, to testify as witnesses about the fate of thousands of victims. The report found that government-supported death squads and the military committed 85 percent of the nine thousand human rights abuses investigated, and 95 percent of the killings. Government atrocities included the 1980 assassination of Archbishop Romero and the U.S.-trained Atlacatl Battalion's massacre of nearly one thousand civilians—men, women, and children—in the village of El Mozote and nearby hamlets. The report found that the FMLN had also committed human rights violations, but on a much smaller scale. The report implicitly blamed the United States by noting that the majority of the human rights abuses were directly attributable to graduates of the School of the Americas at Fort

Benning, Georgia, where many of El Salvador's death-squad leaders received counterinsurgency training.

The Truth Commission's report and newly declassified documents lifted a veil of deception practiced by the Reagan and Bush administrations to persuade Congress to provide continued military assistance to the Salvadoran armed forces. In 1981, for example, the CIA called ARENA party leader D'Aubuisson "the principal henchman for wealthy landowners and a coordinator of right-wing death squads that have murdered several thousand suspected leftists and leftist sympathizers" and described him as "egocentric, reckless, and perhaps mentally unstable." The CIA also reported that D'Aubuisson trafficked in drugs, smuggled arms, and directed the meeting that planned Romero's assassination. But William Walker, Bush's special envoy to San Salvador and Reagan's deputy assistant secretary of state for inter-American affairs, confronted with the documents, displayed no compunction and responded: "We had to deal with D'Aubuisson."

### THE SALVADORAN REVOLUTION: A RECKONING

After twelve years of fighting, seventy-five thousand dead, 2 million displaced, an estimated 1 million war refugees, and billions of dollars in economic losses, what was the legacy of the revolution and its strategy of prolonged popular war? First, it demilitarized Salvadoran society and created space for popular mobilization that had been suppressed since the 1932 *matanza*. This transformed domestic power relations and produced a new pluralism, reflected in a reorganized national political structure, that contrasted starkly with a political culture that traditionally had limited competition to two factions within the coffee oligarchy: murderous planters and slightly more moderate processors. As a result, an ongoing movement for social justice and national liberation was not only possible, but irrepressible.

Second, it engendered a new male and female consciousness. Women, traditionally consigned to family roles within the household, became active participants in public life, first as defenders of

their families in human rights organizations like COMADRES and later in other organized popular movements like the Salvadoran Women's Association (AMES). Her COMADRE activism, for example, taught one woman that "the fight for human rights is all about . . . the rights of workers, the rights of women—before I didn't know this." The war also depleted the male labor force; created new demands for women workers, whose participation in the waged economy increased dramatically to 40 percent by 1992; and expanded women's presence in trade unions.

Last, women sought to escape the prison of patriarchy by joining the revolution, where they made up 30 percent of FMLN combatants and 20 percent of the military leadership: "We grew up with a mentality . . . that a woman is no more than a person to look after the house, raise the children," explained María Serrano, a guerrilla mayor. "But with the revolution this stopped; women found that they could do the same things as men." Naturally, this new feminist consciousness also had implications for men; one guerrillero who fought in a predominantly female unit acknowledged the difficult "process of coming to see women as *compañeras* and not as sex objects." Their shared experiences gave a gendered meaning to the revolution's national liberation struggle, which now included freedom from patriarchal as well as racial, class, and imperialist domination.

These potentially momentous changes, however, while clearly evinced in the peace accords, required a vigilant popular struggle and unflinching international pressure to secure their fullest development. A vigorous participatory democracy was the best guarantor of social justice, without which there could be no enduring peace. But in March 1994, with the infamous Atlacatl Battalion dissolved, a new police force organized, and the FMLN prepared to participate as a political party in its first elections, dark clouds still threatened the fragile peace.

After the collapse of populist experiments in Central America, armed insurrection and prolonged popular war clearly had mixed success as a strategy for national development. In Nicaragua, it defeated a kleptocratic dictatorship and

showed great promise for promoting an authentically independent development that would benefit historically marginalized women, indigenous communities, peasants, and workers. Like the revolutionary strategy in Guatemala and El Salvador, however, it ultimately fell victim to a persistent and determined foreign intervention, leaving only a common legacy of popular mobilization and greater political participation. In Venezuela and Colombia, vastly different circumstances and a correspondingly diverse set of strategies that also included a progressive military component combined to produce radically dissimilar movements for national development.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Lands of Bolívar: Military Crisis, State Repression, and Popular Democracy

## FOCUS QUESTIONS

- How did the “Oligarchic Republic” affect Colombia’s development?
- How did the Great Depression and World War II affect development in Colombia and Venezuela?
- How did *La Violencia* reflect the limits of Colombian populism, and how did it affect national development?
- How did Juan Vicente Gómez’s liberal economic policies affect Venezuela?
- How did the populist programs of Rómulo Betancourt and Carlos Andrés Pérez affect national development?
- How did Hugo Chávez’s movement for popular democracy affect Venezuela’s military, and how did its policies affect national development?

**M**ODERN VENEZUELA AND COLOMBIA have often been cited as oases of democratic and economic stability in a turbulent, poverty-ridden continent. A closer look at their recent history, however, suggests they have not escaped the fate of their neighbors. Instead, both sought to organize constitutional systems that cooperated with the military to limit popular representation and participation in government, thereby strengthening oligarchical power. But these transparently corrupt political institutions did not shield them from the socioeconomic problems bequeathed by the general crisis of Latin American dependent capitalism. Its effects were clearly evident in the devastating impact of Venezuela’s foreign debt on a country whose oil wealth once made it the envy of the continent. Between 1981 and 1987, the number of Venezuelans living in poverty had risen from 22 to 54 percent of the population.

In February 1989, after Venezuela’s populist President Carlos Andrés Pérez announced drastic price increases for basic goods and services to satisfy IMF requirements for new loans to his government, the country exploded into riots that were crushed with the loss of hundreds of lives. However, this crisis of Venezuelan populism sparked a new movement for popular democracy, whose charismatic leader, Hugo Chávez, drew upon his good relations with nationalistic Venezuelan military officers and well-organized grassroots social activists to defend his Bolivarian revolution from its foreign and domestic enemies.

Neighboring Colombia presented a darker picture. Home of the Cali drug cartel, which accounted for most of the refined cocaine smuggled into the United States, Colombia variously relied on this illicit income and growing U.S. aid to repress popular resistance to oligarchical rule. Under an

ostensibly democratic regime, death squads linked to the army, security forces, and the drug mafia operated with impunity against radicals, trade unionists, and human rights activists. Meanwhile, a guerrilla war—the longest continuing insurgency in Latin America, reflecting the vast accumulation of unsolved social problems in this oligarchical democracy—raged in Colombia's jungles and mountains. As we have seen elsewhere in Latin America, the twentieth-century origins of these problems can be traced to the growth of unregulated market forces, external economic dependency, internal social inequality, and an increasingly resolute popular resistance. This pattern began in Colombia with the rise of Rafael Reyes, who governed in the tradition of modern dictators like Rafael Nuñez, Antonio Guzmán Blanco, Manuel Estrada Cabrera, and Porfirio Díaz.

## Populism, Military Repression, and Authoritarian Politics in Colombia

### THE OLIGARCHICAL REPUBLIC, 1903–1930

For Colombia, the twentieth century began inauspiciously with the War of a Thousand Days, which raged for three years at the cost of thousands of lives and untold damage to the nation's economic infrastructure. The savage civil war slowed economic growth and weakened, at least momentarily, the power of the nation-state, even as it strengthened a military establishment with powerful links to the traditional landowning oligarchy. Quick to seize on this vulnerability, Panamanian separatists, who had struggled in vain for years to establish their independence from Colombia, now seized the twin opportunities afforded by both the civil war and a renewed U.S. interest in the construction of a trans-Isthmian interoceanic canal through Panama. The Colombians had made clear their refusal to approve the Hay-Herran Treaty, which provided for a \$40 million payment to a French concessionary company and a mere \$10 million for Colombia, in exchange for Colombia's surrender of its sovereignty over the proposed canal zone. Suddenly, the

Panamanian nationalists had a new and powerful ally, and with the assistance of President Theodore Roosevelt, they established Panama's official independence in 1903. Needless to say, this dealt a profound psychological shock to Colombians.

At the war's end, General Rafael Reyes (1904–1909) dissolved Congress and established his personal dictatorship, ruling by decree through a puppet national assembly. Despite his dictatorial methods, Reyes's policies of enforcing peace and order, construction of railroads and highways, encouragement of export agriculture, and protection and subsidies for industry initially attracted much elite support.

Reyes's downfall came when he attempted to conclude a treaty with the United States under which Colombia was to receive an indemnity in return for its recognition of Panama's independence. Colombia's governing class, aware of the growing importance of the North American market for its coffee and hopeful of attracting North American capital, accepted the new relations. But the wound of Panama was still fresh, and news of the treaty aroused a public fury of which Reyes's enemies took advantage to force his resignation.

This political crisis led to the convocation of a constituent assembly to reform the 1886 constitution. The assembly agreed to weaken the executive, increase the powers of Congress, and ensure minority representation in elective bodies. Other changes included direct election of the president, establishment of elected departmental assemblies, and abolition of the death penalty. Seemingly progressive, these reforms left intact the privileged position of the church, however, as well as property and literacy qualifications for voting that excluded all women and 90 percent of the adult male population from the suffrage. Although the constitutional reforms made the total hegemony of one party more difficult, control of the electoral process remained in government hands. The constitutional changes also left intact the *gamonal* system under which landowners, public officials, and priests exerted influence on rural voters.

The characteristic blandness of Colombian politics between 1910 and 1930 contrasted sharply

with sometimes stormy developments in economic and social life. Reflecting the rapid overall growth of Colombian capitalism, coffee exports, centered in Antioquia, with its system of free labor, increased dramatically. Increasingly, capital that had accumulated in the export industry shifted from commerce to industry, and a partial shift from the old semiservile forms of rural labor to free, capitalist wage labor took place. As elsewhere in the region, these transitions were accompanied by a wave of strikes, land invasions, and clashes between landowners and peasants. Successive governments also adopted racist immigration laws designed to “whiten” Colombia by prohibiting “the entrance of those elements whose organic and racial conditions may be inappropriate for the nation.” Last, this period was marked by the emergence in cities and plantation areas of the first true trade union movements, radical political parties, and struggles between workers and employers.

U.S. capital also began to flow into Colombia, facilitated by the 1914 treaty by which the United States paid Colombia for its loss of Panama. The “dance of the millions” began in 1921–1922 and was fueled initially by the first installment of a \$25 million U.S. indemnity. Between 1922 and 1928, the U.S. government and private investors poured \$280 million into Colombia, most of which was expended for a vast, chaotic program of public construction. The boom lured workers from agriculture into the cities and created low-wage, unskilled employment opportunities for working-class women, who functioned as a “reserve army” for industry. But it reduced food production and raised living costs, leaving workers worse off than before. Naturally, trade unions, energized by the fiery oratory of labor leaders like María Cano, Colombia’s “*flor de trabajo*,” grew more militant, culminating in the 1928 United Fruit “banana” strike whose savage repression claimed thousands of workers’ lives.

The golden shower ended in 1929 with the New York stock market crash and the Great Depression, which soon spread to Colombia. Growing unemployment, food shortages, and the government’s severe fiscal problems completely discredited a regime weakened by political scandals, public outrage over the massacre of banana workers, and its

own internal divisions. Moreover, a 1926 Supreme Court ruling that original land titles were the only legal proof of land ownership sparked a series of land invasions by peasants organized in leagues and unions. Alarmed by the rise of peasant unrest, urban strikes, and new radical ideologies, the nation’s oligarchs temporarily closed ranks to avoid revolution and supported Enrique Olaya Herrera, a man of their own kind, in the 1930 election.

### **THE LIMITS OF POPULISM: “THE REVOLUTION ON THE MARCH” AND OLIGARCHICAL RESISTANCE, 1934–1958**

Olaya’s term was spent waiting for the Depression to end and the infusions of U.S. loans and investments to resume. His failure to respond to popular expectations for change caused growing tension. In departments where the problem of latifundismo and landlessness was particularly severe, such as Cundinamarca, Tolima, and Cauca, clashes between peasants and landowners and police were frequent. This growing social instability strengthened the appeal of populists like Alfonso López, who won the 1934 elections. He promptly announced a program called *La Revolución en Marcha* (The Revolution on the March). In 1936 he obtained the congressional majority needed to implement his policies.

López and other reformers knew that social justice and national economic interest required land reform. The advance of Colombian capitalism was blocked by the backwardness of agriculture, especially the food-producing sector, which could not even provide enough food for the growing urban population. The 1936 agrarian reform law provided for reversion to the state of lands not rationally exploited by their owners but gave the latifundists ten years to make the transition to efficient land exploitation based on wage labor. The law also prohibited payment of rent in labor or in kind; this had the effect of speeding up the spread of wage labor and the rise of a land market. The law confirmed the property titles of the great landowners, but it also gave peasants “squatters’ rights” on unused public and private lands that they had improved. The eviction of squatters thus became more difficult and dropped sharply.

Other legislation adopted during López's administration defined the rights of labor. Congress passed a law that established a minimum wage and paid vacations and holidays, forbade the use of strikebreakers, set up the eight-hour day and the forty-eight-hour week, and created a special tribunal to provide arbitration in labor disputes. With López's support, the number of organized workers quadrupled between 1935 and 1947. Equally important was the formation in 1936 of the Colombian Confederation of Labor (CTC), headed by syndicalists and Communists. One of the most revolutionary innovations of the López reform era was a new progressive tax law. Before 1936 tax laws had been ineffectually enforced. The new tax law, effectively enforced, almost doubled the state's revenue-raising capacity.

Despite the moderate character of these reforms, they came under bitter attack from traditional oligarchs, and López began to retreat. In 1936 he announced a "pause" in reform. This "pause," accentuated by López's successor, Eduardo Santos (1938–1942), created a bitter division between moderates and reformers, whose leading advocate was Jorge Eliécer Gaitán, the wildly popular mayor of Bogotá.

Gaitán's political opponents denounced him as a demagogue. He was in fact a magnetic speaker of burning sincerity, capable of presenting his economic and social ideas to audiences of peasants and workers in a clear way, but there was nothing exotic or extravagant about those ideas. Although he used socialist terminology, the essence of Gaitán's program was the need for state intervention in the economy to democratize capitalism, control the great private monopolies, and ensure that peasants owned the land they cultivated. In 1945 he proposed limiting landownership to a maximum of 1,000 hectares and suggested a minimum size of four hectares for landholdings to avoid the low productivity of minifundios.

In the 1946 presidential race, however, Mariano Ospina Pérez took advantage of these political divisions to win election with only 42 percent of the vote. After his inauguration, in a conciliatory gesture to his moderate opponents, Ospina Pérez sought to form a National Union government, but

he made no effort to consult Gaitán. The snubbing of Gaitán aimed to isolate him politically, deepen the rift between moderates and reformers, and form a bipartisan coalition to barricade against Gaitán's program of social and economic change. High inflation, static wages, and growing unemployment in the postwar period added to the anger and frustration of workers as they saw their hopes for change crushed by what they perceived as a conspiracy of the "double oligarchy"—Liberal and Conservative political parties—that controlled government.

Meanwhile, in the face of the National Union government's failure, Laureano Gómez emerged as the gray eminence, the power behind the throne. Scarcely concealing his scorn for the National Union policy, Gómez quickly purged all moderates and organized armed paramilitary groups to attack and persecute his political enemies in preparation for the 1947 elections. Despite these authoritarian methods, however, the outcome was a clear victory for the radicals. Claiming the need to restore law and order, Ospina organized a new security force, the *policía política*, widely known as the "creole Gestapo." Beatings, killings, and outrages of every kind spread throughout the countryside, provoking a growing polarization and armed responses by peasants, sectors of the middle class, and even some large landowners.

As 1948 opened, the violence in some areas assumed the proportions of a civil war. In this tense atmosphere, a stranger approached Gaitán and fired four bullets into him. Mortally wounded, he collapsed on the sidewalk. Generally expected to run and win the election for president in 1950, Gaitán had been regarded by the masses as the sole hope for their liberation. His murder unleashed long-suppressed racial, ethnic, and class antagonisms and signaled a formidable popular insurrection that tore Bogotá apart and spread to the provinces before it was put down by the army at the cost of thousands of lives. The spontaneous rising of the masses, accompanied by peasant expropriation of haciendas, establishment of revolutionary committees and workers' control over foreign-owned oil installations, and other radical measures, frightened Colombian elites, who blamed the violence on

the “genetically imprinted resentments” of blacks and indigenous people. The coalition government began to come apart in 1949 as the official and unofficial violence in the countryside widened to become a persistent national phenomenon generically called *la Violencia*.

As the 1950 presidential election drew nearer, the threatening, repressive atmosphere visibly deepened. In the countryside, goon squads, backed by the military, compelled peasants to turn in their voting cards. In some areas landowners took revenge for the land invasions of the 1930s, using hired thugs to kill or expel peasant occupants. In this stage of the *Violencia*, however, the conflict was primarily political, based on the peasants’ loyalty to party bosses. Finally, in response to a move by a congressional majority to impeach him, Ospina decreed a state of siege, dissolved Congress and all departmental legislatures and municipal councils, granted extraordinary powers for the governors, and established national censorship of the press and radio. With the suppression of all effective opposition, Laureano Gómez assumed the presidency.

Ideologically, the Gómez regime (1950–1953) appeared “feudal” in its effort to restore the intellectual atmosphere of sixteenth-century Spain. In its economic policies, however, the regime showed itself quite favorable to modern corporate capitalism. In the spirit of economic liberalism, it removed all import and export restrictions and encouraged foreign investment in all possible ways. But labor suffered. Wages lagged behind prices, and the state regularly intervened in labor struggles in favor of employers, permitting the use of strikebreakers and blacklists.

In the Colombian countryside, meanwhile, the *Violencia* gained in intensity and expanded into new regions. But the conflict now increasingly assumed the nature of a class struggle as peasants resisted the efforts of landowners and their hired thugs to eject them from their parcels. Peasant leaders and Communist Party activists became active in organizing strongholds of self-defense among uprooted campesinos. Between 1949 and 1953, Colombia experienced a surge of official

State terrorism and the rise of an extensive, well-organized guerrilla resistance.

The dictatorship’s failure to achieve a military solution to the guerrilla problem contributed to its gradual weakening and eventual collapse on June 13, 1953, when General Gustavo Rojas Pinilla assumed the presidency with the support of the armed forces. To resolve the social and political crisis, his campaign of “Peace, Justice, Liberty” sought compromise among political elites and peasant radicals. One of his first initiatives was to proclaim an unconditional amnesty to all guerrillas who would return to civilian life.

Several thousand accepted the amnesty, surrendered their weapons, and returned to their old homes, but the leaders of some guerrilla fronts, especially the Communist leadership in southern Tolima and the Sumapaz region of southern Cundinamarca, distrusted Rojas Pinilla’s sincerity. Recalling his role as army commander in a famous massacre in Cali in 1949, they warned their comrades not to “believe the false promises of propaganda thrown from planes of the dictatorship.” These guerrilla fronts preferred to maintain an armed truce and await further developments.

Events proved the skeptics right. The honeymoon between Rojas Pinilla and the elites and the nation as a whole began to wane as it became evident that instead of restoring the traditional political arrangements, he was moving toward the establishment of a personal dictatorship with some populist features, not unlike Argentina’s Peronist system. One of his reformist measures was giving women the vote in 1954.

Despite some reforms, the Rojas Pinilla’s policies were essentially reactionary. One sign of this was the revival of the *Violencia* as the president gave a free hand to notorious *pájaros* (hired assassins), vigilante gangs, and army-police forces to wreak vengeance on veterans of the guerrilla war who had accepted amnesty. As a result, many former guerrillas left their farms and rejoined the surviving guerrilla fronts. The renewal of the civil war combined with other repressive measures and the effects of a deepening depression to unify all elite elements against Rojas Pinilla, whose military col-

leagues prevailed on him to resign and surrender power to a five-man caretaker military junta.

In July 1957 leaders of the two major political parties, Alberto Lleras Camargo and Laureano Gómez, met to sign an agreement creating a National Front coalition, which in effect provided for a monopoly of shared power for sixteen years. There would be parity in legislative positions on both national and local levels and alternation of the presidency between the two parties. The Colombian experiment in bipartisan rule and “controlled democracy” had begun.

### **THE NATIONAL FRONT: REFORM AND REPRESSION, 1958–1974**

The constitutional pact that created the Colombian National Front in 1958 bore an obvious resemblance to a similar pact signed between Venezuela’s oligarchical parties the same year. In both cases the intent was the same: to preserve elite rule and to marginalize or isolate political movements that might threaten its property or power. Both may therefore be considered variants of a type of representative democracy that has been called “controlled democracy” or more correctly, “restricted democracy.”

The Colombian power-sharing pact, which provided for a monopoly of political power for the Conservative and Liberal Parties, excluded the Communist and Christian Democratic Parties as well as new parties that might be formed in the future. Thus, it denied the electorate an opportunity to reject the policies of the National Front coalition or exercise the sovereign right to change the government. The relative absence of issues between the parties promoted voter apathy and alienation, reflected in low turnout rates; participation in congressional elections fell from a high of 68.9 percent in 1958 to a low of 36.4 percent in 1972.

The rules of the political game established by the National Front, designed to prevent the hegemony of either party, tended to immobilize its governments. Their social policies reflected their fundamentally oligarchical orientation and did nothing to alter the great inequalities in income

distribution. Although trade unions gained legal recognition, the government repeatedly intervened in labor conflicts on the employers’ side.

To stop the rural violence, Lleras Camargo issued an amnesty for all guerrillas who would return to peaceful life in 1958. The establishment of the National Front coalition marked the official end of the *Violencia*, a conflict estimated to have taken between 200,000 and 300,000 lives. In the ensuing decades, the army and police hunted down the remaining outlaw bands, but the continued existence of the *latifundio* and official repression of some 1 million land-hungry peasants continued to generate violence in the Colombian countryside.

This violence grew so rapidly that in 1961, evidently fearing that failure to act might produce a Cuban-style revolution, Congress adopted an agrarian reform law that vested apparently limitless power to expropriate and redistribute inefficiently exploited land in a new state agency (INCORA). In Tolima, the site of the first program, however, only 1,115 out of 90,000 landless agricultural workers had received titles to land by 1969. Naturally, this failed to satisfy the peasants’ hunger for land, and the five-hundred-thousand-member National Association of Peasant Unity (ANUC), originally organized to mobilize rural support for the government, quickly became an outspoken critic.

This innocuous agrarian reform coincided with the launching of a large-scale military effort to destroy the guerrilla zones established under Communist Party leadership in eastern and southern Tolima. Like the agrarian law, this offensive was inspired by the anticommunist strategy of the Kennedy administration’s Alliance for Progress, a program that combined reform and repression.

The failure of this and later offensives transformed a few guerrilla bases into a network of thirty guerrilla fronts two decades later, all operating in the Colombian backcountry under the military organization of the Communist-led Revolutionary Armed Forces of Colombia (FARC). In addition to the FARC—the largest of the guerrilla groups, created in 1966—the 1960s and 1970s saw the emergence of other revolutionary organizations, such as the National Liberation Army (ELN) and the



The Colombian army's mobilization of paramilitary violence against unarmed civilians increased the popularity of guerrilla movements like the FARC, whose combatants expanded their power and territorial control. [AP/Wide World Photos]

April 19 Movement (M-19), both largely composed of radical students and other urban elements. The ELN, led briefly by Father Camilo Torres Restrepo, the radical priest whose 1966 death inspired the 1968 Conference of Latin American Bishops at Medellín to endorse a “preferential option for the poor,” advocated agrarian reform, nationalization, social justice, and gender equality. Historian Francesca Miller speculates that the endorsement of women’s equality reflected the influence of Torres’s feminist mother, Isabel Restrepo Gaviria, who was notorious for her public demonstrations “against her sex’s inequalities.”

In summary, the National Front’s policies successfully promoted the accumulation of foreign and domestic capital but neglected the interests of workers and peasants, whose living standards sharply declined. In 1964, 25 percent of the total labor force lived below the absolute poverty line.

By 1973 it had risen to 50.7 percent. Clearly, instead of contributing to the solution of grave socio-economic problems, the sixteen years of National Front rule merely sharpened them.

#### **DRUG TRAFFICKING AND REPRESSION, 1974–2000**

Beginning with the 1974 elections, Colombia returned to the political system of electoral competition; but vestiges of the power-sharing system remained. Despite the renewal of competition, the political system was still a restricted, oligarchical democracy designed to limit the level of conflict between elites and to “keep the masses in their place” with a system of electoral mobilization based on machine politics and payoffs, known as *clientelismo*.

In addition to their loss of credibility, post-National Front governments faced economic prob-

lems of unprecedented proportions. The quadrupling of oil prices in 1974, coming at a time when Colombia had ceased to be self-sufficient in oil production, dealt a very heavy shock to the economy. By 1982, Colombia had not only severe inflation but also its worst recession in fifty years.

In this time of economic gloom, some relief came from an unexpected quarter: the drug traffic with the United States. Once negligible and mostly confined to the export of marijuana, this trade began to mushroom in the 1970s, most likely as a result of antidrug campaigns in Turkey and the Middle East. Skyrocketing prices resulting from effective anti-drug efforts and high transportation costs forced the international drug cartels to seek closer sources of supply for the U.S. market. Colombia, with its access to both U.S. coasts, and cocaine, lower in price than heroin or opium and easier to carry in short plane trips to the Florida coast, provided a solution. An efficient distribution system made the new drug available to the ever-swelling U.S. market. A division of labor and profits emerged between the Colombian producers and exporters, centered in Medellín and Cali, and North American domestic wholesalers, bankers, and money launderers. Contrary to a common misconception, Colombia was not a large grower of coca but rather processed the substance, which came from Peru, Bolivia, Ecuador, and Brazil. By the mid-1980s, with cocaine prices dropping, a new product, crack—known as *bazuco* in Colombia and packaged in small quantities that cost only a fraction of cocaine powder—created a large new class of consumers.

Colombia's Medellín and Cali cartels made an estimated \$4 to \$6 billion annually in cocaine traffic. Of this amount, according to the economist Salomón Kalmanovitz, between \$1 and \$1.5 billion entered the Colombian black market. Without this "cushion" for the country's balance of payments, he suggests, an exchange crisis would have broken out in 1983 or 1984 at the latest. This contribution of Colombian **narcocapitalism** to the country's financial stability and the close ties established between the drug lords and landowners, businessmen, government officials, and members of the police and the armed forces explained the singular immunity that the drug mafias enjoyed.

This situation changed as a result of three developments. First, in 1984, President Belisario Betancur (1982–1986) negotiated a series of historic truce agreements with three of the four major guerrilla movements that did not require them to surrender their arms. The accord with the FARC, the largest of the insurgent groups, stipulated that the government would adopt an agrarian reform program; legislate improvements in public health, education, and housing; and permit local elections of mayors and city councils to broaden popular participation in government. Although the armed forces and other factions effectively blocked implementation of the agreement, the peace process survived and made available additional resources to pursue a war on drugs. Second, the United States pressured the Colombian government to wage a more effective war on drug trafficking and offered the incentive of considerable financial aid that was difficult to refuse.

Finally, sectors of Colombia's traditional elite increasingly feared that the drug traffickers had gotten out of control and their violence was threatening the elite's monopoly of power. For years, the drug mafia, in alliance with the police and the armed forces, had trained death squads, 149 of which the government acknowledged. They had murdered, with complete impunity, thousands of trade-union and peasant leaders, radical activists, judges, and others who sought to make Colombia a functioning democracy.

In the course of 1989, however, the mafia went too far and began killing prominent members of the elite, including the governor of Antioquia, the country's attorney general, Medellín's police chief, and presidential candidate Luis Carlos Galán. Within hours after Galán's death, the government searched and seized dozens of mansions, hundreds of cars, and more than one hundred airplanes and helicopters that allegedly belonged to the drug traffickers. To give these confiscations a firm legal basis, official decrees made "illicit enrichment" a crime punishable by five to ten years in prison and reinstated the extradition of drug traffickers to the United States. This was declared unconstitutional by the Colombian Supreme Court in 1987 and opposed by many Colombians as a surrender of the

state's autonomy and an admission of the impotence of its judicial system. By 1989 the government's offensive against the cartels had only made a temporary impact and the basic structure of the paramilitary groups remained intact.

To be sure, without major social and economic reforms in Latin America, the principal supplier of cocaine, and in the United States, its principal consumer, the drug wars could not be won. Without new policies that provided Latin American peasants with a viable alternative to growing coca as a cash crop, its cultivation continued, no matter how many fields were burned or sprayed with defoliants. As laboratories that processed coca were destroyed in one part of the region, they moved to another. In both the United States and Latin America, the cocaine epidemic grew dangerously, fueled by mass poverty, despair, and frustration. In the last analysis, military means alone could not solve either the supply side or the demand side of the problem.

But in a land famous for the illusions of “**magical realism**,” the Colombian war against the drug cartels did provide a perfect cover for the government's thirty-year-old war against the guerrilla insurrection. The drug and guerrilla problems always were indissolubly linked, for it had long been common knowledge that there existed a network linking government agencies, elements of the armed forces and police, landowners, industrialists, and drug lords. The primary target of this alliance was Colombia's radical movement—the guerrillas first, but also trade unions, peasant cooperatives, and opposition parties.

The country's greatest writer, Gabriel García Márquez, says, “The Constitution, the laws . . . everything in Colombia is magnificent, everything on paper. It has no connection with reality.” Typical of that gap between Colombian form and reality was the new constitution of July 1991. The new charter was designed to open up Colombia's political system, ending the monopoly of power and property long held by a handful of Colombian clans. It provided for the popular election of state governors, limited the president to one term, granted Congress the right to veto cabinet members, established the office of a “people's” defender to investigate human

rights abuses, and recognized the authority of traditional courts on indigenous *resguardos*. It also ensured representation for minorities in Congress, barred the extradition of native-born Colombians, and recognized the “collective ownership rights” of Afro-Colombians and indigenous peoples in this multiethnic, multicultural nation.

The new constitution provided a splendid façade for a corrupt, arbitrary social order, but it was still a façade. It did away with the “state of siege” in force in Colombia for most of the previous four decades but conveniently replaced it with the *estado de excepción*, utilized to put the country on a war footing and ride roughshod over the rights of workers and others. Popular cynicism concerning the new Colombian democracy was reflected in the voter abstention rate of 70 percent. Colombia's murder rate, with 86 murders per 100,000 inhabitants, probably the highest in the world, exposed the thin democratic veneer that masked a lawless state and society. The militarization of the state under cover of the state of emergency also facilitated the imposition of a neoliberal policy featuring the privatization of state enterprises, elimination of subsidies, and other austerity measures promoted by the IMF and the World Bank. These measures, added to the immense costs of the guerrilla war, sharpened all of Colombia's economic and social problems; more than half of Colombia's 33 million people lived below the poverty line, and the official unemployment rate in 1998 was 14.5 percent.

Part of the Colombian “reality” of which García Márquez speaks was that Colombia had been the scene of two wars. One was the drug war. From the official U.S. point of view, this war sought to stem the tide of cocaine flowing into the United States. For the Colombian elite, however, it was a private quarrel with that section of the “cocaine nouveau riche,” centered in Medellín, that sought too aggressively to join it in the seats of power. By contrast, the Cali cartel, which was more discreet in its dealings with the traditional oligarchy, experienced less interference from the government than did the Medellín cartel. “We do not kill politicians,” a member of the Cali cartel explained. “We bribe them.” Consequently, by the end of 1994 the Medellín cartel was only a shadow of its former self, with most

of its leaders dead or in prison, whereas the rival Cali cartel had taken over most of the heroin and cocaine trade to the United States and Europe.

The other Colombian war was the “dirty war” waged by an alliance of the military, the security services, drug lords, great landowners, and businessmen against Colombia’s radical movement, trade unions, peasant leagues, and ethnic minorities. The military made no secret that it was far more interested in fighting guerrillas than in fighting drugs. It repeatedly thwarted government efforts to achieve a cease-fire with the guerrilla movements and continued its repressive activity—bombardment, disappearances, torture, and murder. The majority of the victims were not guerrillas but peasants, workers, and radical activists. Despite official government offers to negotiate, successive administrations accelerated the military’s counterinsurgency campaign, with a marked increase in aerial bombardments, by U.S.-supplied planes and helicopters, of rural communities. Ostensibly launched to protect the electoral process from “**narcoterrorism**,” the operation actually targeted rural areas where guerrilla forces were active.

By 1998, however, the government’s military fortunes took a turn for the worse. The FARC, numbering an estimated fifteen thousand fighters, maintained a strong presence in 622 of Colombia’s 1,071 municipalities. Its military and political control was strongest in the southern departments of Caquetá, Guaviare, Putumayo, Meta, and the Amazon region, but it expanded its military operations into more densely populated northern and central departments like Antioquia, Santander and North Santander, Cundinamarca, and Bolívar. In 1996 the FARC showed its growing military strength by inflicting a number of humiliating defeats on government forces. In June 1997 the FARC handed over to the military some seventy soldiers captured in these operations, in return for the government’s agreement to withdraw the army from 5,000 square miles of territory in southern Colombia.

This expansion of guerrilla power reflected the structural crisis of a corrupt, exclusionary two-party system, or “duopoly,” the poor training and morale of government troops, and a continuing economic crisis that brought recruits and support

to the guerrillas. In the government’s mad rush to expand private commercial development of export-oriented logging, shrimp aquaculture, plantation agriculture, and cattle raising, it trampled on the traditional rights of indigenous people and Afro-Colombians in the northern Pacific coastal department of Chocó, home to 455,000 Afro-Colombians, 49,000 natives, and 36,000 mestizos. By 1997 the previously peaceful region had succumbed to violence with the appearance of the army and popular guerrilla groups like the black “Benkos Biojo” and Revolutionary Indigenous Armed Forces (FARIP).

Guerrilla support also was particularly strong in the long-neglected colonization areas in the southern part of the country, where peasant communities produced coca leaves and poppies as the only alternative to the economic crisis. By compelling “fair” payment by the drug traffickers to the coca growers for their products and by resisting the government’s herbicidal spraying of the coca fields, which also destroyed subsistence crops, the guerrillas defended peasants against the government’s eradication campaigns and against land-grabbing efforts by the rapacious new **narcobourgeoisie**. In addition to playing a protective role in the regions under their control, the guerrillas assumed many local-level functions of the state, “maintaining order, officiating at weddings, births, and divorces, organizing education, mediating conflict and administering justice, and marketing agricultural products.” To finance their activities, the guerrillas imposed “taxes” on the drug barons, laboratories, roads, and drug shipments.

The FARC and peasant leaders were well aware of the devastating human, social, and environmental effects of drug cultivation and trade. The FARC proposed a program for the eradication of coca, poppy, and marijuana plantations by the substitution of other crops, with government aid to farmers in land, seeds, and equipment. In 1998, according to *The Nation*, FARC spokesmen sounded out U.S. officials with a proposal to sever all drug connections in return for a U.S. crop-substitution plan. But neither the Colombian government nor Washington expressed interest.

The “dirty war” had an unexpected impact on gender balance, family structure, and the

labor force. With an average of 79 homicides per 100,000 people (seven times the U.S. rate), women headed some 40 percent of families in the 1990s. In addition to their unpaid household labor, these women had to work outside the home, usually for low wages either in unskilled jobs or as self-employed workers in the “informal sector.” Within a generation, the proportion of women in the urban work force rose from approximately 33 percent to 43 percent, but women’s wages still lagged 30 percent behind men’s.

The United States, which generously supplied the Colombian military with arms, bore a heavy responsibility for the carnival of death produced by the “dirty war.” In 1991 the CIA established a new military intelligence network in Colombia, ostensibly to fight drugs. “Instead,” says journalist Frank Smyth, “they incorporated illegal paramilitary groups into their ranks and fostered death squads. These death squads killed trade unionists, peasant leaders, human rights monitors, journalists, and other suspected ‘subversives.’ The evidence, including secret Colombian military documents, suggests that the CIA may be more interested in fighting a leftist resistance movement than in combating drugs.” Among the victims of these death squads were leading human rights activists like Jesús María Valle Jaramillo, who publicly had accused certain politicians and military officers of sponsoring death squads, and Eduardo Umana Mendoza. In March 1994 an Amnesty International report further criticized the United States “for remaining silent when aid destined to combat arms trafficking was diverted to counterinsurgency operations and thence to killing of unarmed peasants.”

#### FOREIGN AID AND REPRESSION

With the declining influence of drug trafficking, Colombia’s oligarchy increasingly relied on aid from the United States to underwrite its military campaign and avoid serious peace negotiations with guerrilla forces. On January 11, 2000, President Bill Clinton announced a \$1.3 billion aid package for Colombia to assist “in vital counter-drug efforts aimed at keeping illegal drugs off our shores” and

“to help Colombia promote peace and prosperity and deepen its democracy.” The measure, which made Colombia the third-largest beneficiary of military aid from the United States (after Israel and Egypt), formed part of a \$7.3 billion “Plan Colombia” prepared by the two governments; but the hand of Washington showed on every page. Colombia was to contribute \$4 billion, though it was unclear where the financially strapped government would find the money; the rest was to come from the United States and countries of the European Union, which showed little enthusiasm for the plan and eventually withdrew from the project. Announced after formal peace talks between the Colombian government and the FARC had begun, it made clear that the United States had chosen war over peace in Colombia.

The ambitious plan had several objectives. Its main goal was the reconquest of the vast area, some 40 percent of the national territory, which the FARC controlled, mostly in southern Colombia. This reconquest would go hand in hand with a coca-eradication campaign, and the former coca growers would be assisted with a crop-substitution program. The plan ignored altogether the narco-traffickers and their paramilitary allies in the North. As Garry Leech points out in the *Colombia Report*, the plan wielded a huge stick, while offering a tiny carrot. Approximately 80 percent of the U.S. aid would go to the military and the police, 8 percent to the crop substitution program, 6 percent to human rights programs, 4 percent to displaced farmers, and 1 percent to the continuing peace process.

The plan also had a neoliberal economic component that required Colombia to further restructure its economy, cut government social spending, and privatize state-owned enterprises, including banks, utilities, and the state’s coal company. These policies, needed to comply with commitments made to the IMF in return for a \$2.7 billion loan in 1999, increased Colombia’s combined unemployment and underemployment rate to about 60 percent.

Colombia’s former attorney general, Gustavo de Greiff, sharply questioned Plan Colombia’s ef-

fectiveness in drug eradication. To be successful, he argued, it would have to meet four basic tests: (1) reduce the area cultivated to plants from which cocaine, heroin, and marijuana were produced; (2) reduce availability of those drugs in the market; (3) produce higher prices for these drugs; (4) and reduce the number of consumers, habitual and occasional. Greiff demonstrated with data from national and international organizations that none of those results had been obtained. For Colombia he cited satellite photographs showing that after the fumigation of 60,000 hectares, the area cultivated in coca had grown 60 percent in the previous year. Greiff bristled at the "arrogance" of a U.S. State Department official who, confronted with evidence of increased coca production in Colombia, said in a press interview that this meant "we have to do more of what we have been doing, not less."

Plan Colombia was equally ineffective in helping "Colombia promote peace and prosperity and deepen its democracy" because it failed to address the historical causes of the civil war. These included the land-grabbing of a selfish elite and massacres of peasants and workers by death squads in its service half a century ago. The successors to those death squads were the contemporary brutal paramilitary outfits, closely linked to the Colombian armed forces, which provided them with intelligence, transport, and weapons. The military officer class, corrupt and incompetent, commanded a rank-and-file consisting mostly of demoralized young workers and peasants who lacked the high school degree necessary to exempt them from the draft. Stung by successive defeats at the hands of the guerrillas, the military chose to "privatize" or "outsource" the war, leaving most of the fighting to the paramilitaries. These gunmen served a variety of masters: drug traffickers, great landowners, especially cattle raisers, and modern capitalists. They served the interests of the old and new elites by murdering militant peasants, workers, indigenous people, blacks, or anyone they suspected of sympathy with the guerrillas. They threatened, kidnapped, and killed progressive lawyers, human rights activists, and journalists too zealous in the exposure of their crimes. According to Human

Rights Watch, the paramilitaries were responsible for 78 percent of the human rights violations in Colombia in 1999.

Early in the twenty-first century, corruption still pervaded the political life of Colombia. A pervasive cynicism regarding politics and politicians was reflected in traditionally high abstention rates; only 46 percent of eligible voters turned out for the May 2002 presidential election. Moreover, electoral fraud, including the purchase of votes, was common; in some regions, like the Atlantic coast, a vote had one price at 8 A.M. and was eight or ten times higher at 3 P.M. "Congress," observed *The Economist* in a piece on the March 2002 congressional election, "has come to be seen as a center of shady deals." This corruption, public distrust of politicians, and resulting high abstention rates meant that in his 2002 "landslide" victory, newly elected president Alvaro Uribe Velez captured only 5.8 million votes—24 percent of the eligible electorate.

If the official justifications for the military aid program for Colombia appeared too glib and unrealistic to be adequate, were other, more pragmatic motives involved? Answers to this question were implied in the financial details of the aid package and the new heightened importance of Colombian oil to multinational companies and the U.S. government. A major beneficiary of the aid package was United Technologies Corporation, the Connecticut company that supplied Colombia with some thirty Blackhawk helicopters, each costing \$12.8 million. Another was Bell Helicopter Textron, a Texas subsidiary of Textron, which produced the Huey II helicopter. Indeed, one reason for the delay in getting final approval for the aid package was pork barrel wrangling between Texas and Connecticut legislators over apportionment of the aid package. Other companies with stakes in the aid package included DynCorp, a defense contractor with a \$600 million contract to spray coca crops in Colombia, and Monsanto, producer of the herbicide.

Occidental Petroleum, which operated the Caño-Limón pipeline in northeast Colombia, stood to gain hugely. In 2002, Colombia was the seventh-largest supplier of oil to the United States, and it controlled the largest untapped pool of

petroleum in the Western Hemisphere. But guerrilla attacks between 1982 and 1990 spilled 1.6 billion gallons of Occidental oil along the way. Washington's 1997 decision to reduce its dependence on Middle Eastern oil suggests that its principal interest may not have been drugs but oil. Three years later, the United States government confirmed this assessment when it promulgated its "Andean Regional Initiative," which increased funding for the counter-drug effort by \$731 million and shifted its programmatic emphasis to the war against terrorism. This new program financed a military brigade to protect Occidental's oil pipeline, which of course had nothing to do with drugs.

Still another unspoken justification of Plan Colombia was that it decisively reinforced the militarization of Colombian politics by foreclosing the possibility of peace negotiations with guerrilla armies that claimed to control 40 percent of national territory. Although the expenditure of \$4 billion on plant eradication, drug interdiction, and military aid had not reduced cocaine supplies or prices, it had shifted the areas of crop cultivation from Colombia's remote southern provinces, controlled by FARC guerrilla forces, to Pacific and Caribbean coastal provinces increasingly controlled by paramilitary organizations. Although these groups engaged in routine human rights abuses against progressive trade union leaders, peasant activists, and intellectuals, President Alvaro Uribe nonetheless agreed to negotiate their independent demobilization in exchange for their political support for his unprecedented 2006 reelection bid. In the electoral campaign, they explicitly threatened human rights organizations, and on election day their presence at polling places in small towns and slum neighborhoods intimidated voters. As a result, Uribe won 62 percent of the popular vote, an outcome all the more remarkable because voter abstention rates grew to 54 percent. This meant that Uribe claimed a landslide electoral victory and a popular mandate to rule even though he secured the support of fewer than 28 percent of the eligible voters. In effect, Plan Colombia funded a realignment of the Colombian political system that allowed the traditional landed oligarchy to sustain

its monopoly of power without compromising with the guerrilla insurgency.

Although it was popular in the corridors of power in Colombia and the United States, Plan Colombia was overwhelmingly opposed in the country's southern provinces. According to the *New York Times*, six governors of that region, all elected in 2000, "have organized into a formidable bloc that has harshly criticized the central government for everything from the handling of finances to the drug war." Rather than war, these governors demanded "regional public projects and agricultural development programs seen as alternatives to defoliation." The *New York Times* also noted that the group had "the most unlikely governor in Colombia, Mr. Tunubala, a Guambiano Indian who won office in a province well known for discrimination and social inequality." His political movement, "composed of Indians, union leaders, poor farmers, intellectuals, and outside the province's circle of power—has already angered some people in the province of Cauca and prompted death threats."

With the failure of Colombia's populist "Revolution on the March," the nation's oligarchy increasingly relied on military repression to preserve its power and privilege. Although it experimented with various reform initiatives intermittently during the succeeding fifty years, military violence played a primary role in elite efforts to resurrect a political system that would protect their property and wealth by limiting popular participation and representation. As a result, prolonged popular war emerged as the primary strategy of resistance, plunging the country into Latin America's longest, bloodiest, and most expensive civil war. With growing dependence on foreign markets, illicit drug revenues, and U.S. military assistance, Colombia had embraced a neoliberal developmental model with a long and largely ignominious history in Latin America. Unlike its neighbors' experience, however, the massive infusions of foreign funds promised to sustain the model for the foreseeable future, even though it did not address the underlying sources of poverty and social inequality that underwrote Colombian political instability. Neighboring Venezuela, by contrast, had a somewhat dif-

ferent history that led it to make decidedly different developmental choices in the twenty-first century.

## Populism, Authoritarian Politics, and Bolivarian Revolution in Venezuela

Although it shared Colombia's history of dictatorship, militarism, foreign dependence, and oligarchical control, Venezuela's postwar development of its petroleum resources and a fervent nationalism that distinguished its twentieth-century military tradition combined to produce a very different set of experiences. Earlier in the century, however, few differences marked Venezuela's liberal social and economic policies.

### THE LIBERAL TYRANNY OF JUAN VICENTE GÓMEZ, 1908–1935

Juan Vicente Gómez attempted to placate his foreign patrons and promote a flow of investments into Venezuela by nullifying Cipriano Castro's nationalistic policies, restoring foreign companies' concessionary rights, and allowing foreign nationals to circumvent Venezuelan courts with appeals to their own national courts or to international tribunals. In this and other policies, he shared the ideological interests of his Colombian counterpart, Rafael Reyes.

Gómez especially favored foreign oil companies. The explosive growth of the oil industry eventually transformed Venezuelan economy and society, but the process began slowly. This economic transformation did not reduce Venezuela's dependence or broaden the base of its economy; the monoculture of "black gold" merely replaced the monoculture of coffee and cacao. The oil industry pumped vast wealth into the hands of Gómez, a small native elite linked to the oil industry, and the foreign concessionaires, three of whom—Dutch Shell, Standard Oil, and Gulf—controlled 89 percent of the market. But little of this wealth trickled down to the masses, nor did it generate significant industrial progress. Government subsidies failed to stem the decline



Juan Vicente Gómez, the early-twentieth-century liberal dictator, relied on a powerful military to implement unpopular policies that favored foreign investors and local elites. [Corbis]

of agriculture, a sector that traditionally resisted modernization. The agricultural crisis contributed to a wave of rural migration to the oil fields of the Maracaibo Basin and other petroleum areas and to the growing cities.

Committed to progress based on private investment and the exploitation of wage labor, Gómez and the generation of liberal intellectuals who served his dictatorship realized that Venezuela's "salvation" could not rely solely on the nineteenth century's failed racist immigration policy of "whitening." This recognition largely reflected

Venezuela's growing export dependency and its demand for abundant, cheap labor, which discouraged potential European immigrants even as it attracted Caribbean blacks and Asians. Increasingly, the Gómez regime celebrated race-mixing to erase indigenous and African traditions by submerging them within a dominant European cultural motif, now labeled the "social race," whose unstable compound justified dictatorship.

In the 1920s nationalist resentment of foreign economic domination and hostility toward Gómez began to pervade the growing middle class. Venezuelan professionals and would-be entrepreneurs chafed at the difficulties of operating in an economic climate dominated by monopoly, nepotism, and corruption. They also resented foreigners' racist discrimination against their multiracial origins. In 1928 a celebration of the "Week of the Student" turned into a protest against the dictatorship, as students joined trade unionists and other anti-Gómez political factions.

The student protest inspired a military revolt in April 1928, led by young officers of the Caracas garrison and cadets of the *Escuela Militar*. Grievances over the favoritism shown in pay and promotions to officers of unquestioned loyalty to Gómez, and awareness that the army had become a repressive force designed to maintain internal order, fueled their discontent. An informer revealed the conspiracy to the military authorities, and government troops easily crushed the revolt before it had well begun. Some students who had collaborated with the rebellious cadets, including Rómulo Betancourt, future president of Venezuela, managed to escape and make their way abroad.

Although separated by class and racial status, women also played a powerful role in the emerging coalition that opposed Gómez. The Venezuelan Women's Association (AVM) largely represented elite women, who shunned politics and the equal rights struggle. They limited themselves to social advocacy on behalf of issues central to home and family: charity for the poor, childcare, orphanages, prenatal medical care, and sex education. But even these modest reforms typically envisioned an activist role for the state in the regulation of civil society and, in the words of political scientist Elisabeth

Friedman, "proved too challenging to accepted notions of gender relations."

Unlike the AVM, the Women's Cultural Association (ACF), whose founding members included Cecelia Núñez Sucre and Mercedes Fermín, was a predominantly middle-class social movement that aimed to improve Venezuelan women's social condition, establish civil equality, and secure political rights. In addition to calls for greater access to jobs and education for women, they demanded limits on women's work day, increased wages, and pre- and postmaternity leave. But they also called for women's suffrage and reform of the Civil Code, which, according to one contemporaneous observer, gave a "woman no rights whatever against her husband, either personal or financial, even no rights to her own child."

Working-class women like Olga Luzardo, however, typically joined trade unions and actively identified with leftist political parties that, although dominated by men, nonetheless advocated "improvement of the entire exploited sector." Eschewing "feminism" as a middle-class idea incapable "of resolving the problems of working women," Luzardo, a Communist and working-class militant, scorned the bourgeois values of a social movement that limited itself to demands for gender equality and the "freedom" to work outside the home: "What would the women comrades of the soap and perfume factories, the polishers, the seamstresses, say [to the idea] that we ought to pull woman from her idleness and push her into work?" Luzardo asked contemptuously. "Wouldn't they laugh at such an unbalanced way of thinking?"

In 1931, Gómez was at the peak of his power. But in the next few years, his health began to decline, and in 1935 the prospect of his early demise led to intense factional maneuvering in his inner circle. Amid growing signs that Gómez's illness was terminal, his minister of war, Eleazar López Contreras, wove a network of alliances, including the solid support of most army commanders, to ensure his own peaceful rise to power without a civil war or dangerous rebellion of the masses.

Announcing Gómez's death, López proclaimed two weeks of public mourning, but Venezuelans responded to the announcement with rejoicing;

in Caracas angry crowds sacked the palaces of Gómez's most prominent supporters. The jubilation and the demands both for vengeance and for social and political reform provoked by the news of Gómez's death made a mockery of López's eulogy of the dead dictator and foreclosed the possibility of an easy transition to a social order resembling that of the old regime. The entrance of the Venezuelan middle classes and workers onto the political scene opened two decades of complicated struggle, culminating in the victory of a new populist model of capitalist development and its associated political form of representative democracy. Nonetheless, the dead dictator's hand-picked Congress chose López Contreras to replace him.

In an atmosphere of great social and political effervescence, however, many exiles with various ideologies returned home and joined activists emerging from the underground in organizing trade unions, political parties, and professional organizations. López found himself under siege from the entire political spectrum. He sometimes yielded to pressures for reform and then stubbornly resisted demands for change to the undemocratic Gómez political system. For example, he supported a new constitution in 1936 but insisted on retaining a Gómez clause that defined communism and anarchism as treason, effectively outlawing the major opposition parties, the reformist *Partido Democrático Nacional* (PDN) led by Rómulo Betancourt and the Venezuelan Communist Party of Gustavo Machado.

World War II, having created insatiable demand for Venezuela's oil, enabled López's hand-picked successor, General Isaias Medina Angarita, to wrest more favorable terms from the oil companies than had been present in the old inequitable contracts. Moreover, domestic social movements of workers, peasants, women, and industrialists pressured him to support progressive policies like Venezuela's first social security and income-tax legislation. His government also encouraged the formation of trade unions, which gained considerable strength, particularly in the oil industry. Pushed by Mercedes Fermín and the Feminine Cultural Group (ACF), a largely middle-class women's rights organization that had opposed Gómez, Medina viewed

favorably a movement toward a more democratic system with enfranchisement of women and direct popular election of the president.

Medina also tackled the country's urgent agrarian problem. Near the end of his administration he asked his minister of agriculture, Angel Biggini, to draft an agrarian reform bill that would distribute the extensive state landholdings to landless peasants. Congress passed the law, but one month after passage, it died stillborn as a result of the overthrow of the Medina administration by a military-civilian revolt headed by two men who would dominate Venezuelan politics for the next two decades: Marcos Pérez Jiménez and Rómulo Betancourt.

Betancourt was the most influential personality among that famous generation of student leaders, who in 1928 electrified Caracas by leading a public demonstration against Gómez. Of middle-class background, during his years of exile Betancourt had read widely in the classics of Marxist literature. But the most decisive influence on his thought was a nationalist, reformist ideological current best represented in Latin America by the Peruvian Victor Raúl Haya de la Torre, who argued that in Latin America's specific conditions, characterized by economic backwardness and a small, weak working class, the immediate historical task of social revolutionaries was to complete the unfinished bourgeois revolution.

Betancourt thus appears as the standard-bearer of the Venezuelan bourgeois revolution, which sought to end dependency on oil by diversifying the economy through industrialization, to expand the internal market by improving living standards, and to initiate land reform that would increase the productivity of agriculture. All these goals he hoped to achieve within the framework of parliamentary democracy. Betancourt assigned a decisive role in this process to the state, which should plan, regulate, and assist economic development.

The political instrument Betancourt and his colleagues created to achieve Venezuela's bourgeois, democratic revolution was *Acción Democrática* (AD), a multiclass party and mass organization that enjoyed large growth from 1941

to 1945, gaining a clear superiority in numbers and influence among workers, peasants, women, and the middle class over its closest rival, the Communist Party.

There were four key elements in women's strategy for securing civil and political equality. First, they sought to organize and maintain unity across the seemingly insurmountable dividing lines of class and political party. Reflecting this strategic consensus among middle-class women, Ana Luisa Padra announced in 1941 that "we have different interests, but a common problem: the conquest of our rights for which we ought to [fight] together without rancor or distinctions." Second, rather than seek equality with men, the women's movement in Venezuela sought to mobilize the state's resources to protect children and mothers. Third, women raised the issue of equality without addressing it directly, at least initially by seeking merely to reclaim for married women liberties freely granted to widowed mothers—property rights and custody of their children. Thereafter, they insisted that political rights for women logically should flow directly from the successful attainment of civil equality, rather than vice versa; lacking "voice or vote within the boundaries of her home," a feminist newspaper editorialized, "it would be laughable that [women] would be granted the vote within the boundaries of her country."

This particular strategy also aimed to preserve a gender-based unity, but it fractured later when the women's movement exercised a wartime demand for equal voting rights with men, whose franchise already was limited to literates. This immediately raised issues of class inequality by largely excluding working-class women. Class issues, always lurking in the shadows of the women's movement, took center stage in a 1944 competition to elect the queen of the Amateur Baseball World Series, a cultural event, according to political scientist Friedman, widely viewed as a "primer for universal suffrage." One woman advertised herself as the candidate of the "respectable people," by contrast with her opponent, Yolanda Leal, a poor school teacher, who was "for the common folk." When Leal, "daughter of the people," won overwhelmingly, it created a national furor over the franchise

that weakened middle- and upper-class support for universal suffrage.

Even as middle-class women abandoned their working-class counterparts, *Acción Democrática*, in its populist struggle to fashion a multiclass electoral movement, came to power in 1945 and established universal suffrage two years later. Ironically, after enfranchisement ended women's political segregation and integrated their participation into male-dominated institutions, women's rights organizations lost much of their traditional autonomy, their memberships fragmented, and their political agenda dissipated.

### **A STRANGE ALLIANCE: BETANCOURT, MILITARY POPULISM, AND DICTATORSHIP, 1945–1958**

After the 1945 military-civilian coup that overthrew the Medina regime, a provisional government headed by Betancourt as president seized power. The motives for this coup, born of an alliance between young military officers and the AD's populist leadership, continue to provoke historical debate. The officers, organized in the *Unión Patriótica Militar* (UPM), were disgruntled over promotion, salary, and appointment policies within the military, displayed little interest in governmental affairs, and appeared content to leave government to the AD. Although Medina's progressive record included support for sweeping constitutional reforms, including universal suffrage, his government, composed almost entirely of white elites, had continued to discriminate against nonwhite immigrants and appeared insensitive to the historical links among race, class, and political order that bound together Venezuela's *café con leche* society. Consequently, it had been totally unprepared for the furor over the racist refusal of three posh Caracas hotels to serve the African American singer Robert Todd Duncan. Eager to use race as a powerful organizing tool, the AD had seized upon public outrage to expand and mobilize its political supporters in a bid to control the state.

However dubious the motives that inspired the 1945 coup, it proved a milestone in Venezuelan history. The AD government between 1945

and 1948—a period Venezuelans call the *Trienio*—represented the first serious effort to transform the country's archaic economic and social structures.

Because Acción Democrática was, in effect, the government and had a large nationwide network of party organizations to mobilize the population, it had a distinct advantage over its political rivals. AD control of the distribution of land and agricultural credits under the agrarian reform enabled it to build a clientele of peasant union leaders that gave it a commanding majority of the peasant vote. AD established a similar relationship of influence and leadership over most of the more than five hundred trade unions organized in this period and affiliated with the Venezuelan Confederation of Workers, which included both trade and peasant unions.

The AD also drafted a new constitution that guaranteed many civil and social rights, including labor's right to organize and strike and the principle that land should belong "to him who works it." The constitution established universal, secret voting for all persons over eighteen, with direct election of the president and both houses of Congress.

Among the economic issues with which the AD government had to deal, oil policy was most important, for it involved fundamental questions of dependency, economic sovereignty, and the revenues needed for economic diversification and modernization. In 1946 the government had imposed a supertax of 26 percent on all company profits over 28 million bolívars; the law was aimed primarily at the oil companies. This tax alone increased government income in 1947 by 230 percent over its income in 1938.

In view of the great importance the AD program attached to agrarian reform, the junta's approach was timid. Evidently fearing the political and economic repercussions of a frontal attack on the latifundio, the government preferred to distribute land to the peasants from the extensive state holdings taken over on the death of Gómez, Venezuela's premier latifundist. Out of a landless peasant population estimated at about 330,000, only between 55,000 and 80,000 received land during the *Trienio*. Because the average peasant received only 2.2 hectares of land to cultivate, "the prob-

lem," as Judith Ewell points out, "then changed from *latifundia* to *minifundia*."

The creation of an independent national economy through industrialization was a major government goal. The Venezuelan Development Corporation (CVF) was formed in 1946 to promote this process through loans to private entrepreneurs and direct investment in state corporations. In three years it lent nearly 50 million bolívars to industrial enterprises. But by the *Trienio*'s end, the program of "sowing the petroleum" to diversify and modernize the economy had achieved only modest results. More impressive progress was made in health and education, whose respective budgets for 1948 quadrupled and tripled by comparison to 1945. Important advances were also made in eliminating the country's principal health scourge, malaria, by spraying with DDT the breeding grounds of mosquitos, which carried the disease.

The principal danger to the regime came from military officers like Colonel Marcos Pérez Jiménez, who gradually became disenchanted with what they regarded as the radical excesses of their civilian partners. On November 24 the government fell in a virtually bloodless coup, and Minister of Defense Carlos Delgado Chalbaud took power as president of a military junta. Many of the leading members of the AD regime were arrested and imprisoned. Betancourt escaped and took refuge in the Colombian Embassy; later, he and other prominent AD leaders were permitted to go into exile.

In a proclamation issued on November 25, Delgado Chalbaud declared that the junta was a provisional government and did not intend to destroy Venezuelan democracy or prohibit the activities of political parties. But the junta's actions contradicted its claims of democratic intentions. Soon after the coup, it dissolved Congress, annulled the 1947 constitution, voided the petroleum law, and abandoned other progressive programs like agrarian reform and school construction. The junta also imposed a strict censorship, forbidding any criticism of the regime. In 1949 the junta launched an offensive against the unions, arresting leaders of the Venezuelan Labor Confederation, forbidding union meetings, and freezing the funds of most of the unions.

Initially resistance to the junta and its repressive policies was largely limited to student protests and the activities of the illegal Communist Party, whose members played a leading role in the organization of the resistance movement. With the Feminine Cultural Group and other women's rights organizations under attack, women activists also quickly joined clandestine opposition movements like the Venezuelan Union of Women and the Communist Women's Organization. In 1949, AD leaders who remained in the country formed an underground organization. Against the objections of the strongly anticommunist Betancourt and other AD leaders in exile, the AD underground cooperated with the Communists and other groups of the resistance movement in the struggle against the dictatorship.

After the assassination of Delgado Chalbaud in 1950, the military regime intensified its repressive activity. By the fall of 1952, the regime, evidently convinced that the repression had intimidated the Venezuelan people into accepting its rule, decided it would be safe to hold elections for a Constituent Assembly.

Despite the repressive conditions and the call issued by the exiled AD leadership to abstain from voting—a position it reversed at the last moment—Venezuelans gave a two-thirds majority of the popular vote to the opposition parties. Furious at this outcome, Pérez Jiménez nullified the election and announced he was taking office as provisional president in the name of the armed forces.

For the next five years (1953–1958), Pérez Jiménez was the absolute ruler of Venezuela. A brutally efficient repression, whose principal instrument was the *Seguridad Nacional*, the secret police, made antigovernment activities very difficult. A resistance movement uniting persons of all political tendencies survived, however, and continued its struggle against the dictatorship.

The social and economic policies of the regime generated discontent among ever wider sections of the population. Its limitations on the right to organize and strike contributed to a decline in labor's share of the national income. In place of the AD's focus on education, health, agrarian reform, and balanced economic development, the Pérez

Jiménez regime emphasized grand works of infrastructure—highways, urban freeways, and port improvements—and urban constructions, some of little or no social utility, like the Officers Club in Caracas or the many-storied shopping center built on the side of one of Caracas's hills.

Women's roles in Venezuelan society once again changed dramatically in this period. First, as Pérez Jiménez promoted economic growth by offering incentives to private, especially foreign, businesses, there was more demand for low-cost labor, which increased women's participation in the work force, to be sure, mostly concentrated in menial jobs as domestics, laundresses, and waitresses. As a share of the wage-earning work force, women's participation increased from 17 to 22 percent during this period. Second, because the dictator dismissed women as political actors, his brutal repression largely targeted men, the effect of which was to create more opportunities for women in the labor market and in popular resistance movements. One of the more active organizations in the antidictatorial struggle was the Venezuelan Teachers' Federation (FVM), 75 percent of whose membership was female.

Although the movement's public leadership remained overwhelmingly male, women shouldered a large measure of the daily organizational responsibilities, ranging from intelligence collection to communications work. The Women's Committee, arguably the most influential of all the women's groups involved in the resistance, was especially successful at building cross-class alliances and uniting women politically even as it mobilized thousands in their opposition to dictatorship. Women also were effective in organizing cultural foundations, like the Gabriela Mistral Center, that efficiently disguised clandestine political objectives. But once again, when the dictatorship collapsed and a fragile democracy reemerged, the women's movement suffered a decline. In the words of Argelia Laya, a prominent activist, guerrilla leader, and founder of Socialist Women, male domination or machismo "was stronger than a military dictatorship!"

Signs of defection from the regime multiplied in 1957. Especially significant was the increasingly

critical attitude of the Catholic hierarchy, which issued statements deploring the government's disregard for the interests of the poor. Disaffection also grew among national capitalists, who complained of the government's neglect. With the end of the oil export boom in the late 1950s, the regime's capacity to generate business activity and employment through public works programs began to run out of steam. Within the armed forces there was growing resentment of Pérez Jiménez's arbitrary ways and his reliance on the secret police to watch over the loyalty of officers.

By mid-1957, an underground organization called the *Junta Patriótica* had been formed to unite the major political parties. This group became the principal motor of the resistance movement and its preparation for a popular revolt. On January 21, 1958, the *Junta Patriótica* proclaimed a general strike that was overwhelmingly effective and was accompanied by clashes between the people and the regime's security forces. Barricades appeared in the streets of Caracas. The next day the insurgents seized key strategic points in the capital. The majority of military units refused to obey Pérez Jiménez and fraternized with the rebels. Fearing the radicalism of the popular opposition, a new military junta demanded that Pérez Jiménez resign, and shortly thereafter he fled the country for the Dominican Republic.

The military junta became a provisional government: its first decrees proclaimed the restoration of all democratic freedoms, amnesty for all political prisoners and exiles, and legalization of all political parties. Almost ten years of rule by a repressive military dictatorship had ended.

#### **LIMITED DEMOCRACY AND POPULIST RESURGENCE, 1958–1969**

The military-civilian junta presided over the transition to democratic elections, set for December 1958, and invited the return of political exiles like Betancourt. Chastened by experience, Betancourt had become politically more moderate than he had been during the *Trienio*. Betancourt's efforts to reassure Venezuela's economic elite about his intentions, and his decision to choose moderates as his

principal political allies reflected his new caution. So too did his decision to join with the nation's other centrist parties to endorse the Pact of Punto Fijo, which provided that whatever the election results, they would form a coalition government to carry out a program of democratic socioeconomic and political reforms.

The Pact of Punto Fijo was important far beyond its impact on the 1958 elections because it created a unique Venezuelan model of representative democracy. The Venezuelan government was consciously tailored to isolate the Marxist left, making it virtually impossible for Marxists to wield political power. Second, although the Pact of Punto Fijo provided for a three-party coalition, the system evolved toward hegemonic control of political life by two parties, the social democratic AD and the social Christian COPEI, whose reformist programs were broadly similar.

A third distinctive feature of the Venezuelan populist model of representative democracy was the major role that it assigned to the state as regulator and arbiter of relations between the classes and interest groups. The massive influx of petroleum revenues over most of the past three decades had strengthened the state and endowed it with the financial resources to perform this role, which required it to balance and mediate the conflicting demands and interests of all the major classes and pressure groups—labor, the peasantry, capitalists, the middle class, the armed forces, the church, the political parties.

Finally, the architect of this model, Rómulo Betancourt, viewed the state as an instrument for the gradual recapture of the nation's natural resources from foreign control, the reform of its socioeconomic structures, and the promotion of a balanced economic development. Betancourt hoped that, in time, economic development would lead to the rise of an autonomous Venezuelan capitalism capable of providing Venezuelans with a high standard of living and culture. Indeed, over the next three decades, Venezuela made large advances in such problem areas as health and literacy. But the vast sums expended in "sowing the petroleum" over those decades did not achieve Betancourt's main goals; poverty did not decline but increased, and

income distribution remained as inequitable as in Mexico and Brazil. Moreover, Venezuela remained deeply dependent, burdened with an unpayable foreign debt.

Although the major parties had approved a common program of economic, social, and political reform broadly similar to the one carried out during the Trienio, there remained considerable disagreements that were aggravated by the continuing economic crisis and Betancourt's own contentious nature. The victory of the Cuban Revolution in January 1959 and Cuba's gradual turn toward socialism created an especially divisive issue. Younger activists hailed the revolution as a model that Venezuela could well emulate. But Betancourt, virulently anticommunist, regarded the Cuban socialist regime as a direct challenge to his own populist philosophy and fully supported U.S. efforts to isolate Castro's regime economically and politically.

In 1961, Betancourt promulgated a new constitution that proclaimed the government's responsibility for its citizens' social well-being, provided for proportional minority representation in Congress, and prohibited the president from succeeding himself. But it also gave him significant powers to suspend constitutional guarantees of personal and civil liberties. Moreover, although he had campaigned on the need for redistribution of land, which earned him an overwhelming majority of the peasant vote, the results of his agrarian reform were mixed, at best, and fell far short of solving Venezuela's acute agrarian problem.

By 1969 only some 150,000 out of the 350,000 peasant families without land in 1960 had received plots. Combined with the estimated 200,000 new families formed in those eight years, there remained 400,000 families without land. Government investments in irrigation, roads, and credit and technical assistance primarily benefited large and medium-sized commercial farms, which produced the lion's share of profitable crops and accounted for most of the 150 percent increase in agricultural production during the years between 1959 and 1968.

More significant, perhaps, were the large advances made in health and public education during

the Betancourt administration. Nearly 9 percent of the national budget was assigned to the Ministry of Health and Social Assistance. A concerted attack on the problems of endemic disease, infant mortality, and malnutrition resulted in a decline of infant mortality from 64 per 1,000 live births in the 1955–1959 period to 46.5 in 1966. The Betancourt years also saw a significant growth of public education.

A major objective of the Betancourt regime was to increase its share of oil profits to make more funds available for industrial development. A 1958 law therefore raised the tax rate on oil profits to 65 percent. In fact, industrialization was a cornerstone of the new Venezuela Betancourt wished to build. The slogan "Venezuela must industrialize or die" expressed the militant spirit of the AD's new campaign to industrialize. The AD government transferred large resources generated by oil exports to the industrialization process in the form of loans and direct subsidies.

The campaign for "economic independence," however, had a peculiar outcome: it fastened more firmly the chains of dependence on Venezuela. Confronted with high tariff walls and unwilling to lose the large consumer market created by oil wealth, a growing number of U.S. and other foreign firms chose to establish branches in Venezuela, frequently in association with local capital. The label "made in Venezuela" increasingly came to mean an article made with raw materials and intermediate materials imported from the United States and finished or assembled in Venezuela.

Between 1958 and 1970, the number of plants producing such items as cans, foodstuffs, clothing, automobiles, auto tires, paint, and cigarettes mushroomed. The alliance of foreign and native capital achieved the goal of import substitution, but because the dominant partner in the alliance was foreign capital, most of the profits flowed back to the home offices of foreign firms. By 1971, Venezuela had the largest gross accumulated foreign investment in any Third World country: \$5.57 billion. But the export of profits reached an annual average of \$672 million. Venezuela, observes one economist, had become a "fiscal paradise of foreign monopoly capital."

The drive for import-substitution industrialization was accompanied by the incorporation of labor as a less-than-equal partner in an alliance with the state and industry. In 1958 labor leaders signed a pact with management that committed the unions to seek conciliation of conflicts with employers. The subordination of labor was completed during the following decade of AD rule.

### **POPULIST PROBLEMS IN A PETROLEUM REPUBLIC, 1969–1988**

Internal division contributed to the loss of the AD candidate in the 1968 election. In response to growing nationalist sentiment and charges that the foreign oil companies withheld further investment in Venezuela in reprisal for higher taxes and increased government control, Rafael Caldera of the Social Christian Party won the presidency on a campaign to nationalize all existing oil concessions beginning in 1983. The proposed law also stipulated that unexploited concessions be ceded to the state petroleum company, CVP, in 1974. In addition, the oil companies were required to post bonds guaranteeing that they would turn over their plant and machinery in good condition. Also enacted in 1971 were bills that nationalized the foreign-owned natural gas industry and gave the government power to control oil-production levels. Finally, during his last months in office, Caldera issued a decree that forbade foreign interest in radio and television stations and electric companies.

Despite the establishment of representative democracy in 1958 and Caldera's reforms, a 1973 survey of Venezuela's economic and social conditions gave no cause for satisfaction. No basic change in economic structure had occurred; the government's populist reforms remained heavily dependent on oil income. True, import-substitution industrialization had achieved some economic diversification, but it was a dependent industrialization largely based on foreign capital, inputs, and technology. Despite the agrarian reform, agriculture remained the most backward branch of the national economy. In 1971, Venezuela still imported 46 percent of its basic foodstuffs. The fail-

ure of the agrarian reform to correct fundamental problems was also reflected in the continuing high concentration of landownership; 1.4 percent of the large estates held 67 percent of all privately owned land in 1973.

Thanks to improved health care and the eradication of such scourges as malaria, the Venezuelan population had grown rapidly, increasing from 7,524,000 in 1958 to 10,722,000 in 1971. But it is doubtful whether the quality of life for the majority of Venezuelans had improved after fifteen years of democratic rule. Although women's share of the labor force had doubled, they still made up a small percentage of wage workers, mostly employed in low-wage service jobs. Prostitutes typically made more money. In 1974, 30 percent of all Venezuelan children suffered from malnutrition; 12 percent of all adults suffered from mental retardation from the same cause, combined with other difficult living conditions. In the early 1960s, a United Nations study described Venezuela's income distribution as one of the most unequal in the world. A decade later, the situation had not improved.

Carlos Andrés Pérez, a Betancourt protégé, emerged an easy winner in the 1973 election. The flamboyant Pérez, a master of populist rhetoric, had promised a "war on poverty" and against "privilege." Despite his rhetoric, his program did not differ substantially from those of his predecessors, even though his government benefited from the 1973 Arab oil embargo, which raised oil prices from \$2.01 a barrel in 1970 to \$14.26 in January 1974 and vastly increased state revenues. Pérez promised to "manage abundance with the mentality of scarcity," but the flood of oil riches and the irresistible drive to modernize overwhelmed his administration and frustrated his good intentions.

On August 29, 1975, Pérez signed a law nationalizing the Venezuelan oil industry, to take effect January 1, 1976. A state oil company, Petroven, was created to control a sector of the economy whose annual sales volume exceeded \$10 billion. In addition to a generous compensation of \$1 billion to the foreign companies, the nationalization agreement authorized the state to enter into contracts with those companies for the provision of technological assistance and equipment, as well as

marketing agreements for the international transshipment of Venezuelan oil exports.

Pérez's populist economic program called for the creation and expansion of heavy industries, especially petrochemicals, steel, and shipbuilding, that would supply the needs of Venezuela's consumer-goods industry. Gradually other projects—a fishery industry, a national rail system, the Caracas metro, and modernized port facilities—were added to this list.

During his campaign Pérez had pledged he would direct "priority attention to the needs of Venezuelan agriculture as the essential motor of economic development." But like his predecessors, Pérez understood those "needs" as the needs of large commercial farmers. Although Pérez claimed in 1975 to have achieved an "agricultural miracle," the reality was very different. Domestic food production increased, but imports of the country's basic foodstuffs rose from 46 percent in 1971 to almost 70 percent by the close of his administration. The rapid growth of the urban population contributed to this increased food dependence.

The immense oil revenues that flowed to the state from 1974 to 1979 proved inadequate to cover the costs of the government's ambitious development program, and Pérez, fearful of alienating business leaders, refused to raise taxes. Increasingly, Pérez, like other Latin American populist leaders, had to resort to foreign loans to finance his reforms; between 1974 and 1978, Venezuela's foreign debt grew by almost \$10 billion.

Pérez cultivated a populist image that did not correspond to his social policies. As a result of the orgy of state spending during his administration, the economy heated up and inflation cut deeply into workers' living standards. For the business, financial, and political elites, however, the boom created vast opportunities for enrichment, resulting in an explosion of conspicuous consumption by these classes as the standard of living for peasants and workers deteriorated. The intimate ties among the state, the ruling party, and the economic elites generated corruption on an unheard-of scale.

Finally, the Pérez economic program had clearly failed to solve the dilemma of dependency that continued to plague Venezuela. Measured

by the yardsticks of foreign indebtedness and the degree of its reliance for revenue on a single resource—oil—Venezuela was more dependent in 1980 than it had been in 1974.

The crisis of Venezuelan populism deepened after 1978 as Pérez's presidential successors struggled with the devastating combined effects of recurrent drops in oil prices and the massive outflow of funds to service the foreign debt. In a New Year's Eve 1989 address to the nation, one of them, Jaime Lusinchi, proclaimed that debt "is strangling our country's social and economic development and that of the majority of the world's people." Faced with a choice between paying foreign bankers and paying for his populist reform agenda, Lusinchi announced a moratorium on the repayment of all debts accumulated with foreign banks before 1983.

#### **NEOLIBERALISM AND THE DILEMMAS OF A PETROLEUM REPUBLIC, 1988–2003**

The 1988 election saw the return of Carlos Andrés Pérez to the presidency. Despite a populist campaign that denounced subservience to foreign bankers, once in office, Pérez inaugurated a neoliberal economic austerity program in response to conditions demanded by the IMF in exchange for a \$4.5 billion loan over a three-year period. The program included a massive currency devaluation; the lifting of controls and subsidies on a wide range of products and services such as gasoline, bread, and electricity; and a rise in interest rates. The price increases were announced in advance of their application; as a result, goods vanished from the shelves as shopkeepers prepared to take advantage of the higher prices.

In February 1989 a popular explosion rocked Caracas when a significant rise in bus fares was announced. For many Venezuelans, whose wage increases were cut in half by this measure alone, it was the last straw. Tens of thousands of people took to the streets, rioting and looting shops; from Caracas the rioting spread to the poor barrios surrounding the city, then to the nearby port of La Guaira, and later to more distant cities and towns.

The Pérez government responded with a display of force that many observers found excessive; in contrast to the officially admitted death toll of around three hundred, unofficial estimates placed the number of dead at between four hundred and one thousand. The shock waves of the explosion soon reached Washington, where the U.S. Treasury hastened to make a \$453 million “bridging loan” to the Pérez government in advance of its signing an IMF economic adjustment program. In another apparent reaction to events in Venezuela, U.S. Treasury Secretary Nicholas Brady announced a plan providing for a partial reduction of the Latin American debt. Pérez continued to insist that his “six-month shock” economic program was correct in its essentials and would in time create “a new Venezuela.”

In the meantime, however, this neoliberal program deepened the recession. Prices for many basic foods and household items, transport, and electricity rose between 50 and 100 percent. Real wages fell between 20 and 50 percent.

Pérez faced a dilemma. He was caught between the neoliberal demands of the IMF, World Bank, and foreign bankers that he continue his austerity program as a condition for obtaining the new loans needed to reactivate the economy and the counterdemands of labor and the middle class that he change course and relieve the suffering caused by his economic adjustment program and a deepening recession. He decided to continue with his economic adjustment plan, which included the privatization of a large number of state-owned enterprises. Not the least irony was that it was Pérez himself who had nationalized the iron and steel industries and proclaimed “evolutionary socialism” his long-term goal. Pérez even called his IMF-style austerity program *el gran viraje* (the great turn-about). For many suffering Venezuelans, however, it was “the great betrayal.”

Pérez’s privatization program caused significant loss of jobs in a country already burdened with high unemployment. It also transferred ownership of those enterprises to foreign multinationals. The first privatizations resulted in the sale of 40 percent of the state-owned telephone company to the U.S. telecommunications giant GTE, the national air-

line to the Spanish Iberia, and several large hotels to various international private interests. The sales prices also grossly undervalued these assets and led to considerable corruption.

A one-time bonanza of \$2 billion in government revenues from the sale of state companies and a boom in the import-led commercial sector as a result of a reduction in import duties helped spur a partial revival of the economy from its deep recession. But the recovery was mainly in the realm of stock market speculation; industry and agriculture continued to stagnate. Some economic and social indicators reflected the failure of neoliberal economic policy to improve the life of most Venezuelans. The real minimum wage in 1991 was only 44 percent of its 1987 value; the number of people living below the poverty line jumped from 15 percent at the end of 1988 to 41 percent in 1991; and inflation reached a record high of 80 percent in 1989.

Mounting anger over Pérez’s austerity program, the growing gap between rich and poor, and revelations of corruption in official circles sparked a series of strikes and protests demanding Pérez’s resignation. The growing discontent reached into the middle and lower echelons of the military, whose members were unhappy with their own deteriorating living conditions and with Pérez’s privatization program; in 1992 a coup attempt, led by Lieutenant Colonel Hugo Chávez Frías, involved 10 percent of the nation’s armed forces and came perilously close to overthrowing the regime. Its program included putting all those engaged in corruption on trial; a reversal of Pérez’s neoliberal policies; an emergency program to combat misery and poverty; and a dissolution of government and election of a constitutional assembly. Although defeated, Chávez became a folk hero overnight among the poor in Caracas’s “belt of misery.”

The foiled coup combined with the unending wave of strikes and popular protests to pressure the Supreme Court to indict Pérez, charging him with misappropriating \$17 million from a secret fund earmarked for national security. Congress then voted to remove him from office. Meanwhile, more than a thousand small and medium-sized companies closed, causing the loss of fifty-nine thousand

jobs. High interest rates, inflation approaching 40 percent, an influx of imports, and weak demand caused by low purchasing power were blamed for the increasingly severe recession. Foreign investment fell by more than 40 percent.

The 1993 presidential election represented a crushing repudiation, not only of Pérez and his neoliberal policies but also of the two-party rule that had prevailed since the fall of General Marcos Pérez Jiménez in 1958. Rafael Caldera, the seventy-seven-year-old populist who had been rejected by his own party for his opposition to neoliberal policies was elected president. His victory and the large gains made by progressive parties testified to the strength of the movement for social and economic change.

Although it provoked alarm among Venezuelan business elites and foreign investors, in reality, Caldera's reform program was quite modest. It called for a new labor law—strongly opposed by big business—the provisions of which would discourage layoffs in a time of deep recession. Other goals included a monthly minimum wage increase, repeal of an IMF-inspired value-added tax that sharply increased prices on items of popular consumption, new taxes on luxury items, and a reform of the income tax system that would improve tax collection by imposing heavy fines on tax evasion, estimated at 70 percent of all taxpayers.

As his program evolved, however, Caldera's response to the desperate economic crisis deviated more and more from his campaign promise to abandon the discredited neoliberal policies. Soon, reform-minded ministers in his government resigned and were replaced with neoliberals who renewed the drive to privatize practically all state companies and bail out eight private banks.

Caldera's return to economic orthodoxy was hailed by the business sector but damaged his image as a crusading populist president among workers and shantytown dwellers. Apparently fearing uprisings like the failed 1992 military coup and the food riots of 1989, Caldera suspended constitutional guarantees, including the rights to liberty, personal security, and free travel, and to protection against unreasonable search. Security forces searched the homes of activists, former

military officials, and politicians; they rounded up hundreds of persons in Caracas's slums. Human rights activists and church leaders condemned the suspensions of constitutional guarantees. Increasingly, it appeared that the Caldera phenomenon represented another example of the sadly familiar tendency of populist politicians to make promises of sweeping social and political change that they did not intend to keep, simply to keep the neoliberal boat afloat.

In 1996 the Caldera who in 1993 had denounced his electoral rivals as "IMF-package candidates" accepted a package agreement with the IMF that lent his government \$3.3 billion, cut federal spending, and eased the rules of foreign investment, opening the way for privatization of the economy's crown jewels—the oil industry and the aluminum, steel, and electrical companies operated by the public Venezuelan Corporation of Guyana (CGV).

The Caldera regime's acceptance of neoliberal orthodoxy and especially its privatization proposals provoked bitter debates. Aware of the immense public opposition to the privatization of oil, the neoliberal politicians chose a more indirect route. In 1997, Congress passed the so-called "oil opening," which invited private capital to participate in the exploration for and exploitation of oil reserves, but it limited the state's participation in the development of potentially rich reserves to between 1 percent and 35 percent of the total capital of each joint venture. Despite the circumlocutions of the "opening," it was clear, as an anonymous eight-page advertisement in *Time* magazine explained, that it represented "the back-door route to privatization" of the state-owned oil industry. "Undoubtedly," says Steve Ellner, "the arrangement generates substantial public revenue, but the state's relinquishment of its status as a major investor points in the direction of the early days of the industry when Shell and Standard ruled the oilfields." Meanwhile, privatization of the steel and aluminum industries was stalled by continuing opposition and debate over its terms and, in the case of aluminum, because foreign investors refused to pay the price asked by Venezuela.

These debates took place against a background of continuing economic crisis, reflected in high in-



After defeating an attempted coup and winning a succession of elections, first demanding his recall and then capturing 63 percent of the popular vote in his 2007 reelection bid, Hugo Chávez lost his campaign to reform the Venezuelan Constitution to abolish presidential term limits, reduce the work day to six hours, lower the voting age to sixteen, and extend Social Security benefits to workers in the informal sector.

[© Harold Escalona/epa/Corbis]

flation and unemployment rates, a crisis worsened in 1998 by depressed oil prices and a resulting decline of 35 percent in the central government's revenues. Poverty nearly doubled during the 1990s. A 1996 study by Mark Ungar noted that "62 percent of Venezuelans live below the poverty line, while prices for basic foodstuffs have risen beyond the reach of 75 percent of the population." The growth of poverty was accompanied by a parallel growth of crime. Since 1990 the murder rate grew by 73 percent, the robbery rate by 26 percent. A profile of the prison population showed that it was overwhelmingly poor and young. Caldera's neoliberal remedies of austerity and other "structural adjustments" sharpened the pain but did not remove its

causes; indeed, they contributed to the panorama of social devastation in Venezuela.

#### **POPULAR DEMOCRACY, THE MILITARY, AND BOLIVARIAN REVOLUTION**

As the 1998 presidential elections approached, the price of oil had dropped by a third, the stock market had lost 70 percent of its value, foreign reserves dwindled, and fears of devaluation raised lending rates to around 100 percent a year. This did not favor Venezuela's traditional political parties and their free-market, neoliberal programs of privatization and public-spending restraints. "Their political mood," wrote a *New York Times* reporter, "seems

to be swinging in precisely the opposite direction, with an overwhelming majority apparently convinced that the oil wealth should guarantee decent salaries, government services, job protection, and retirement benefits.”

Despite a last-ditch effort to stop his populist juggernaut, retired Lieutenant Colonel Hugo Chávez Frías, promising to combat poverty and misery, scored a decisive victory in the 1998 presidential elections, described by the *New York Times* as “freighted with a sense of history in the making.” His electoral program stressed protection of domestic industry, a two-year moratorium on debt payments, a review of concessions that had been made to foreign oil companies, a halt to privatization of state assets, and reform of the constitution.

Chávez swiftly moved to secure from Congress for six months all the powers he needed to enact by decree a package of economic and financial legislation. Venezuelans also were treated to the unfamiliar sight of army teams entering the poor barrios of their towns to sell food at low fixed prices, repair schools, and engage in other public works. By the year 2000, it had become clear that Chávez, fortified by a series of sweeping electoral victories, contemplated nothing less than an economic and social revolution. A new constitution, adopted in 1999 and ratified by an overwhelming majority of voters, swept away the elitist, corruption-ridden political system established by the 1958 Pact of Punto Fijo and cleared the way for the construction of what Chávez called “Bolivarian Democracy.” “The fight for justice, the fight for equality and the fight for liberty,” Chávez told a Spanish interviewer in April 2002, “some call socialism, others Christianity; we call it Bolivarianism.”

His government’s ambitious program spelled out in careful detail a series of reforms, down to the number of new hospitals to be constructed and the medical care they would provide. But Chávez did not threaten to destroy Venezuelan capitalism. He sought reforms designed to make it more functional and socially responsible to correct the enormous imbalance in access to goods and culture between Venezuela’s haves and have-nots. An early achievement of the Chávez revolution was the sense of dignity that it gave to the popu-

lar masses. Proud of his indigenous, African, and Spanish ancestry, Chávez helped to eradicate the social stigma historically attached to the terms *mulatto*, *mestizo*, and *black*. This new sense of dignity, not just the hope for improvement in economic status, helped explain the fierce loyalty of these mixed-race masses toward their leader.

Because Venezuela still imported half of its food supply, agrarian reform was fundamental. Consequently, Chávez passed a law that limited farm size in some regions to 250 acres and permitted the government to expropriate uncultivated land over 5,000 hectares in size. Traditionally, the vast majority of land was in private hands, and this law was directed above all at vast cattle ranches and the great, frequently uncultivated estates called *latifundios*. “We have to finish off the *latifundios*,” the president proclaimed in 2001. “The *latifundio* is the enemy of the country.” The agrarian reform proposed to give parcels of land to as many peasants as possible, chiefly from public lands. But the government also redistributed private lands that lacked a clear title. The distribution of land that was not in dispute had already begun, benefiting thousands of peasants. This land reform, combined with the construction of housing for poor families and other programs for the development of small and medium-sized industry, aimed to correct the enormous imbalance between rural and urban populations. Eighty percent of Venezuelans were urban dwellers, and most lived in shantytowns on the hillsides that surrounded Caracas and a few other large cities.

Improved access to education for poor children was another important goal of the Chávez revolution. The educational reform eliminated the fees that students formerly had to pay. More than 1.5 million children were added to the public school rolls, and all children received breakfast, lunch, and an afternoon snack in their school. A massive vaccination program was launched in poverty-ridden areas, and the infant mortality rate, which had stood at 23 per thousand, declined a few points. A special bank was created to provide micro credit to women who wished to start their own enterprises. A new mass organization, the “Bolivarian Circles,” neighborhood groups that met to discuss and seek

solutions for local problems, was another important component of the Chávez program. They received modest subsidies from the state to carry out local improvements.

The state oil company, *Petroleos de Venezuela* (PDVSA), was the main source of state revenue on which the success of Chávez's reform program in education, housing, health, and other areas depended. Chávez doubled the royalties paid by foreign oil companies that operated in Venezuela. In cooperation with other members of OPEC (the oil-producing countries' organization) and independent producers, he sought to keep oil prices at satisfactory levels by reducing production quotas when necessary. Finally, he insisted that the state oil company have a controlling interest in new mixed enterprises with foreign oil companies. His nationalistic positions led to conflicts with the state oil company's established bureaucracy, traditionally dominated by the Democratic Action machine and more favorable to foreign companies.

Oil played an important role in Chávez's foreign policy to strengthen Venezuela's ties with its Latin American neighbors. In 2000 delegates from Venezuela and ten Central American and Caribbean countries met in Caracas to sign a document that lowered oil prices for signatory countries and eased the terms of payment when the international price of crude became too high. Venezuela also contracted to supply Cuba with up to 53,000 barrels a day; in exchange, Cuba, whose health system was famed for its high quality, agreed to provide medical services in Venezuela's poorest barrios.

The warming relations between Venezuela and Cuba were not lost on the United States, which was angered by Chávez' political "errors." Chávez quoted Simón Bolívar's celebrated remark that "the United States appeared destined by Providence to plague America with misery in the name of liberty." He also defined neoliberalism as "the road to hell for Latin America," urged stopping in its tracks "the savage and irrational cart of globalization that destroys and excludes millions," and flatly rejected the United States' project for a "Free Trade Area of the Americas." His political sins included visits in defiance of the United States to countries like Iraq, Libya, and Iran; his embrace of Mercosur,

the South American common market; and his refusal to endorse President George W. Bush's "war on terrorism," especially U.S. military operations in Afghanistan.

Thus, it seemed inevitable that if an opportunity arose to topple this Venezuelan "troublemaker," Washington would not hesitate to seize it. In early 2002 the United States temporarily withdrew its ambassador to Venezuela, and high-ranking U.S. policymakers like Elliot Abrams, Otto Reich, and John Negroponte, all of whom had been active in the covert Reagan wars against revolution in Central America, met regularly with Chávez's Venezuelan opponents. These included large business interests, labor leaders, dissident officials of the state oil company's bureaucracy, and a few active military officers. This was accompanied by a drumbeat of attacks on Chávez and his program by the press, radio, and television. It was widely reported that, in the previous year, the United States also had channeled hundreds of thousands of dollars to opposition business and labor groups, using as a transmission belt the National Endowment for Democracy, a nonprofit agency created and financed by Congress.

This agitation took place against a background of economic decline, the result of falling international prices for oil, which reduced state revenue and compelled Chávez to make budget cuts in all areas except social programs. Chávez also allowed the overpriced bolívar (the national unit of currency) to float, causing a measure of inflation that was bitterly resented by the large middle class. The economic downturn and inflation also fed the racist hostility of many white members of that class toward Chávez, whom they contemptuously dubbed *el Mono* (the monkey) or *el Negro* (the black).

The long-prepared blow fell on April 11. On that day, two large demonstrations—one for and one against Chávez—milled about in the streets of Caracas and marched on the presidential palace of Miraflores. In the resulting melee, shooting began, and some fifty people, mostly Chávez supporters, died in four days of revolt and counterrevolt. Meanwhile, a group of military plotters had invaded the palace, tried in vain to make the president sign a letter of resignation, and then spirited him away to

an island off the coast of Venezuela. In Caracas, a prominent businessman, Pedro Carmona, was installed as president, “with a cabinet of conservative fanatics,” in the words of *The Economist*, a British magazine generally known for its neoliberal sympathies. Carmona promptly decreed the immediate closure of the Supreme Court and the National Assembly, while a hunt began for prominent members of the Chávez government. A classic military coup or “*Pinochetazo*” seemed to be in the making.

But the oligarchy, its military and clerical collaborators, and its allies in Washington had badly miscalculated. The generals and admirals of elite origins who supported the coup did not represent the middle-level commanders and the rank-and-file troops. After the initial reaction of surprise and bewilderment, the presidential guard and loyalist military, spearheaded by the parachute division of which Chávez was a former commander, swiftly crushed the revolt and arrested its leaders. Meanwhile, a torrent of Chávez’s humble supporters, furious at the conspiracy to topple their leader, poured into Caracas from the surrounding shantytowns and took command of the streets.

Restored to power, Chávez promised a full investigation of the coup and trials for those who orchestrated it, but he also struck a conciliatory note. Stressing that he was president of all the classes of Venezuelan society—upper, middle, and lower—he admitted that he had made mistakes, replaced a number of officials the opposition had sharply criticized, and regretted the harsh language he had used against his critics. Two weeks after the coup, looking relaxed as if he had not just survived a political hurricane, Chávez informed the country in an interview that his peaceful Bolivarian revolution continued on course, with the aim of transforming an oil-dependent, neoliberal economy and channeling funds into social programs to achieve social equality in a country that had been plundered for centuries by the rich. He made tactful reference to charges that the United States was involved in the recent coup, saying it would be “horrible” if the United States was involved. “What I have said is that I ask God that it turns out to be false.”

Despite Chávez’s conciliatory attitude and gestures to win over some of his enemies, the die-

hard opposition, centered in the economic elite, remained sullen and unrelenting. It conducted an unsuccessful two-month general strike that crippled the economy in early 2003 but failed to destabilize Chávez’s democratically elected government. Thereafter, his opponents seized upon a constitutional provision for a recall election and organized a referendum campaign that also failed to bring Chávez down in 2004. Each of these victories provided Chavez’s allies with opportunities to extend and consolidate the Bolivarian revolution, which triumphed again in 2007 with Chavez’s stunning reelection. With 75 percent of Venezuela’s 16 million voters turning out, Chávez captured 63 percent. During the campaign, Chavez had championed state regulations to redistribute wealth, property, and power to the nation’s poor majority, and in its exuberant aftermath, he cried out to his delirious, flag-waving supporters, “Long live the socialist revolution! Destiny has been written. That new era has begun. We have shown that Venezuela is red! . . . No one should fear socialism. . . . Socialism is human. Socialism is love.”

After the election, Chávez used his democratic mandate to reverse the denationalization of the Venezuelan economy. “Everything that was privatized will be nationalized,” Chávez promised his supporters, and in June 2007 his government made good on this pledge. Foreign oil companies that earlier had received concessions to operate in the Junin, Ayacucho, and Carabobo oil fields were advised to renegotiate their contracts to make PDVSA, the state-owned oil company, a majority shareholder. Private cement and steel manufacturers were threatened with expropriation unless they abandoned more lucrative export markets in favor of lower-priced sales to promote Venezuelan projects. Likewise, banks were warned to make more resources available to local development initiatives. “Private banking must give priority to financing the industrial sectors of Venezuela at low cost,” Chávez announced. “If banks don’t agree with this, it’s better that they go, that they turn over the banks to me, that we nationalize them and get all the banks to work for the development of the country, and not to speculate and produce huge profits.”

Venezuela remained largely divided into two nations: a majority struggling to emerge from poverty and backwardness and a minority determined to hold on to its power and privileges. But increasingly it looked as if popular democracy, buttressed by strong military support, high international oil prices, and a distracted superpower, might provide the key to unlock the potential for development and a measure of social justice. If so, the Venezuelan experience might easily become a model for other Latin American nations struggling to overcome the developmental disabilities imposed by the late-twentieth-century collapse of populism and neoliberalism.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# Deconstructing the State: Dictatorship and Neoliberal Markets

## FOCUS QUESTIONS

- What were the principal characteristics of neoliberalism?
- What was the relationship between neoliberalism and military dictatorship in Brazil, Chile, and Argentina?
- What was the relationship between neoliberalism and Mexico's authoritarian state?
- How did U.S. intervention affect Nicaraguan democratic institutions and the emergence of neoliberalism?
- How did neoliberal policies variously affect foreigners and different Latin American social classes or interest groups, such as large landowners, industrialists, middle-class sectors, women, workers, peasants, Afro-Latinos, and indigenous peoples?

**N**OTHING ABOUT NEOLIBERALISM and the popular movement that resisted it was uniquely Venezuelan. Certainly, by the end of the twentieth century, neoliberalism had become the dominant developmental paradigm in Latin America. Its resurgence was largely a response to the collapse of populism and elite fears of revolutionary alternatives that had been pursued with varying degrees of success in Cuba, Peru, Chile, and Nicaragua. Populist reforms historically had united elites and subalterns under the banner of nationalism because they promised social and political inclusion without fundamentally redistributing property and power. In the absence of such a radical transformation of existing social structures, however, populist reforms had to be financed by high export prices, low-interest foreign loans, or some combination of both. In the 1970s, high interest rates, high oil prices associated with

the Arab Oil Embargo, and plunging prices for Latin America's agricultural and mineral raw materials produced a perfect storm that destroyed the material foundation of populism.

The strong, nationalistic regulatory state—the centerpiece of populism—quickly became the target for those seeking to explain the reasons for Latin America's limited development. Of course, a powerful voice for policies later associated with neoliberalism always had reigned supreme in the foreign policy of the United States, which routinely supported the idea of an “open door”—that is, “a fair field and no favor,” in the immortal words of Secretary of State John Hay. This idea became a founding principle in the postwar reconstruction of the global economy, the institutional pillars of which were the World Bank, the International Monetary Fund, and the General Agreement of Tariffs and Trade (later the World Trade Organiza-

tion, or WTO). Increasingly, these institutions used their global economic power and Latin America's extraordinary accumulated debt to encourage deregulation and denationalization. Local elites, many of whom were educated in the United States, added their voices to the growing international chorus that sang the praises of neoliberalism.

But what were the common characteristics of neoliberalism? Generally, neoliberals believed that development required an "open economy" in which the state's role was limited largely to policing functions—in other words, securing law and order—and promoting individual private enterprise. In the area of economic policy, therefore, neoliberals typically stressed free trade, export production, privatization of publicly owned resources, reduced import tariffs, deregulated capital flows, abolition of state subsidies to consumers, and encouragement of foreign capital investment. In most cases, although these policies successfully produced economic growth, measured in terms of rising gross domestic product, they uniformly accentuated the region's historical inequality.

Neoliberals also argued that the deconstruction of state power associated with these liberal economic reforms would disperse economic power and create the material foundation for a thriving political democracy that would bring the blessings of individual freedom to all Latin American people. Unfortunately, the historical record of neoliberalism's spread throughout Latin America seemed to contradict its major tenets. Far from promoting democracy, neoliberalism seemed to thrive under military dictatorships in Brazil, Chile, and Argentina. In Mexico, its emergence depended on an authoritarian state that employed corruption and electoral fraud systematically to exclude effective popular political participation. In Nicaragua, U.S. intervention effectively subverted the sovereignty of democratic elections. In each case, however, popular mobilization against dictatorship, political corruption, and foreign intervention became the foundation for expansion of democratic rights and representation. Typically, these democratic social movements forced authoritarian leaders—military dictators and civilian elites—to cede their formal authority to elected successors, but even a decade



Inspired by Pedro de Alvarado's sacking of Tenochtitlán, a famous scene described in the sixteenth-century Florentine Codex, *El Figón's* cartoon depicts the destruction of rain forests and indigenous communities as the second conquest of Latin America. In the 1990s, the conquistadors include the International Monetary Fund, modern technology, and transnational corporations (symbolized by the Coca-Cola bottle). [*El Figón*/NACLA]

later, electoral deception and fear of military power often conspired to preserve neoliberal policies.

## Military Dictatorship and Neoliberalism in Brazil, 1964–1990

Although some scholars trace the origins of neoliberalism to Chile during the 1970s, the policies closely associated with it—if not the doctrine itself—first emerged in Brazil in the aftermath of the 1964 military coup that toppled the democratically elected populist government of João Goulart. The military leaders of the self-proclaimed "democratic revolution" revealed their long-range intention to use the force of dictatorship to empower private sector property owners, foreign and

domestic. On April 9 the Supreme Revolutionary Command issued the First Institutional Act, permitting the president to rule by decree, declare a state of siege, and deprive any citizen of civil rights for a period of ten years. A docile Congress approved the military's choice for president: General Humberto de Alencar Castelo Branco. Like many of his colleagues, Castelo Branco was a fierce advocate of fanatical anti-communism, favorable treatment of foreign capital, and acceptance of U.S. leadership in foreign affairs.

#### ENCOURAGEMENT OF FOREIGN CAPITAL AND REPRESSION OF LABOR

The new government most clearly defined its neoliberal character and long-range aims in the area of economic policy. Roberto Campos, minister of planning, implemented a program to stimulate foreign capital investment by offering incentives that included the free export of profits, lower taxes on the income of foreign firms, and a special type of exchange for the payment of external financing in case of devaluation. At the same time, internal credit was severely reduced in compliance with the anti-inflationary prescriptions of the IMF, while the level of consumption of the domestic market fell as a result of a wage freeze and the decline in the real value of wages. These policies, placing Brazilian-owned companies in an unfavorable position, caused 440 bankruptcies in 1966 and 550 in 1967.

The new government's economic policies accelerated the foreign takeover of Brazilian industry. By 1968 foreign capital controlled 40 percent of Brazil's capital market, 62 percent of its foreign trade, 82 percent of its maritime transport, 77 percent of its overseas air transport, 100 percent of its motor vehicle production, 100 percent of its tire production, more than 80 percent of its pharmaceutical industry, and 90 percent of its cement industry. The United States led, with about half of the total foreign investment, followed by Germany, Britain, France, and Switzerland.

To ensure foreign and domestic capital of an abundant supply of cheap labor, the government froze wages and banned strikes, which reduced

workers' living standards sharply. In 1968 the minister of labor estimated that the real value of wages had fallen between 15 and 30 percent in the preceding four years. Labor was further shackled by the appointment of military intervenors to oversee more than two thousand of the country's leading industrial unions.

Further, the government suppressed dissent in all areas of Brazilian life and suspended the political rights of thousands of so-called extremists. Thousands of federal employees were fired, and hundreds of nationalist military officers were arbitrarily retired or dismissed. The government shut down the Brazilian Institute of Higher Studies, a major center of nationalist economic theory, suppressed the National Student Union, and outlawed the Peasant Leagues.

In 1965, Castelo Branco issued the Second Institutional Act, which dissolved all political parties and instituted indirect elections of the president and vice president. The Third Institutional Act (February 1966) ended the popular election of state governors and mayors of state capitals. Yet Brazil's military rulers chose to maintain a façade of democracy and representative government that Argentine political scientist Guillermo O'Donnell later famously labeled "**bureaucratic authoritarianism.**" They established an official party and a legal opposition party, whose ranks were carefully screened to exclude "subversives." Its elected representatives had little or no impact on policy and legislation.

#### THE ECONOMY AND DENATIONALIZATION

This vicious assault on Brazilian democracy and civil liberties aimed to preserve the military's power and protect its neoliberal economic policies, which favored foreign investment and export production but attacked the living standards of Brazil's impoverished majority. Although this promoted significant economic growth in Brazil's gross national product, averaging 8 percent annually, there was no parallel development of mass capacity to consume. Moreover, by 1970 the denationalization of key sectors of Brazilian industry was almost complete. One or a few giant multinational firms

dominated each major industry. The automotive industry, which was dominated by three firms—Volkswagen, General Motors, and Ford—typified the concentration of industrial ownership and production. The military champions of free enterprise did not dismantle the state sector, however, as one might expect. Instead, they assigned to it the function of providing cheap steel, power, and raw materials to the profitable foreign-owned enterprises.

The regime's neoliberal economic planners emphasized Brazil's exports to resolve the contradiction between a highly productive, technologically advanced industrial plant and an extremely small domestic market. Primary products continued to dominate the export trade, but exports of manufactured goods increased at a rate of about 12 percent between 1968 and 1972. Although most Brazilians lacked shoes and adequate clothing, Brazil became a major exporter of footwear and textiles. Increasingly, however, primacy was placed on the export of durable consumer and capital goods, such as cars, electrical products, and machine tools.

Government planners also hoped that exports would solve the increasingly acute balance of payments problem, but even as the volume of exports increased, so did the deficit. Meanwhile, the foreign debt, which stood at \$12.5 billion in 1973, climbed to \$17.6 billion in 1974 and approached \$30 billion by the end of 1976. Service on this foreign debt, an important component of which was the increased cost of imported oil, amounted to nearly the total value of Brazil's exports in 1977. The problem was compounded by the heavy drain of interest and dividends in amounts considerably greater than the foreign investments that generated them. The deficits in the balance of payments contributed to a steep fall in the exchange value of the cruzeiro and an inflationary spiral that reached a rate of about 46 percent in 1976.

The recession that spread throughout the capitalist world in 1973–1974, combined with much higher oil prices, added to Brazil's economic difficulties. The passage of "antidumping" laws, designed to protect markets in developed countries like the United States, cut into Brazil's exports of manufactured goods, creating overproduction

and unemployment in various industries. By the mid-1970s, the bloom was off Brazil's "economic miracle."

The government's own figures documented the devastating effect of the "economic miracle" on the general welfare. By 1974 the minimum wage was only half the minimum income required to buy food for subsistence. When the costs of rent, clothing, and transportation were added, a worker needed four times the minimum wage. Official data revealed an intolerable situation with respect to public health. Nearly half the population over the age of twenty suffered from tuberculosis, and about 150,000 people died every year from the disease; about 42 million suffered from parasitic diseases that caused general debility and reduced working capacity. The great majority of Brazilian houses lacked running water and sanitary facilities, a condition that contributed to the prevalence of parasitic disease. According to the president of the National Institute of Nutrition, 12 million preschool children—70 percent of all children in that category—suffered from malnutrition in 1973.

The government's agrarian reform likewise helped great landowners to transform their estates into agribusinesses at the expense of their tenants. It threatened to expropriate latifundia that had not been exploited for four years. But the stress on "voluntary" adherence gave landowners time for delay and circumvention of the law by dividing the land among relatives or forming it into commercial enterprises exempt from the law's provisions. Thus, its principal result was to stimulate the development of capitalist large-scale agriculture, accelerating a process that had been under way since the 1930s. Sociologists warned that the "agrarian reform" was spurring a new wave of rural emigration, throwing a new mass of cheap labor on an overstocked urban labor market.

#### **CULTURAL RESISTANCE TO DICTATORSHIP**

As popular disenchantment with dictatorship grew, nationalists inside and outside the armed forces soon called for a return to the state-centered model of economic development, workers called for an end to the wage freeze, and intellectuals and

students called for an end to censorship and a return to academic freedom. A portion of the clergy, headed by the courageous archbishop of Recife and Olinda, Helder Câmara, added their voices to the general cry for social, political, and economic reforms. With electoral politics closed to serious democratic debate, opposition to the military dictatorship was increasingly reflected in popular youth culture, where lyrical metaphors and a driving musical beat initially avoided dictatorial censorship and substituted for political manifestos. Born in urban musical theaters that sponsored socially conscious plays like *Roda Viva* (*Commotion*), this new Brazilian popular music (MPB) soon provided a catalyst for youthful protest against the dictatorship. It quickly reached a mass audience because, to attract a younger generation of consumers, television, radio, and record companies all sponsored competitions among musicians who were eager to play at music festivals originally held in large theaters and later in outdoor stadiums. Six months before each festival and following the carnival tradition, songs were played repeatedly on the radio, and the most popular artists were invited to perform at the festival. Among them were musicians like Geraldo Vandré and Chico Buarque, who used love songs and traditional ballads to thinly disguise lyrics that railed against social injustice and oppression. Vandré's "*Disparada*" ("Stampede"), for example, tells the story of a cowboy from Brazil's arid and poverty-stricken Northeast who, tired of having the fazendeiro treat him worse than the cattle, violently rebels.

But perhaps the most popular song was "*Caminhando*" ("Walking"), which became a national anthem of youthful social protest, even after the dictatorship, citing its "subversive lyrics, its offensiveness to the armed forces, and its use as a slogan for student demonstrations," banned its dissemination. It called on workers, peasants, students, and intellectuals to mobilize against dictatorship in defense of song, a metaphor for freedom and democracy: "Walking and singing and following the song / We're all equal, arms linked or not / In the schools, in the streets, fields, and construction sites / Walking and singing and following

the song." More ominously still for Brazil's military leaders, "*Caminhando*" insisted that "those who know, take action now and don't wait for it to happen."

During this period, a new musical force appeared that made a dramatic impact on Brazilian popular culture and the struggle against dictatorship. Known as *tropicalia*, this new genre criticized the bossa nova and another musical style, *a jovem guarda* (new guard), as hopelessly romantic, fundamentally "bourgeois," and insufficiently willing to confront the brutality of the repressive military dictatorship. It called not only for the ouster of the military regime but also for a revolution of Brazilian culture and national identity.

Ironically, *tropicalia* music alienated both the military regime and traditional left-wing political opponents because it self-consciously fused Brazilian and foreign instruments and musical styles to create a "universal sound." This contradicted the interests of the dictatorship, which sought to maintain social control by celebrating Brazil's national cultural traditions, but it also undermined the nationalist critique of foreign domination and cultural imperialism. Led by artists like Caetano Veloso and Gilberto Gil, the *tropicalistas* were greatly influenced by the Beatles' album "Sergeant Pepper's Lonely Hearts Club Band" and drew heavily on Oswaldo de Andrade's concept of "cultural cannibalism" to shock their audiences with raucous, electric guitars and lyrics that juxtaposed contradictory images of modernity and repression. At the International Music Festival, Veloso and his band, *Os Mutantes* (the Mutants), dressed like futuristic automatons, initially were booed off the stage when they performed "To Prohibit Is Prohibited." Veloso, in an angry rage, chastised his audience for seeking "to police Brazilian music" in the same way that the dictatorship sought to police Brazil; by contrast, he and his *tropicalia* comrades aimed "to abolish the imbecility that rules Brazil." Indeed, Veloso, Gil, and their comrades equally savaged the dictatorship and its agenda of capitalist modernization. According to cultural historian Christopher Dunn, in the title song of his first album in 1968, "*Tropicalia*," Veloso contrasted the bossa



Gilberto Gil, Caetano Veloso, Tom Ze, and Os Mutantes shocked Brazilians with their new sound, which combined traditional Brazilian rhythms with the electrified guitar sounds of Jimi Hendrix. Before their arrest and exile in 1968, their psychedelic music scorned middle-class Brazilian consumerism and the military dictatorship that protected it. [© Universal Music Group. Photo from University of North Carolina Press]

nova, cultural symbol of Brazilian modernity in the late 1950s with *palhoça*, “the ubiquitous mud huts of the Brazilian backlands.” Although this seemed harmless enough, the song concluded with still more disturbing images, ultimately describing a modern metaphorical Brasilia inhabited by a “smiling, ugly dead child” begging for coins.

The tropicalistas’ sophisticated allegories confused the military censors and even secured their approval for a time. In fact, the military dictators were unsure how to classify the political meaning of the tropicalia movement, especially because it was also the target of their nationalist opponents. By late 1968, however, the dictatorship, according to Veloso, was convinced that their music “represented anarchy, violence, and a threat to families, relations between generations, respect, and

religion.” According to Gilberto Gil, the military viewed tropicalia as “a threat, something new, something that can’t quite be understood, something that doesn’t fit into any of the well-defined compartments of existing cultural practices.” The military government consequently incarcerated them and later exiled them to Europe because they were “sort of illegible, and that won’t do; that is dangerous.”

Heartened by a growing popular resistance to dictatorship, Congress and the Supreme Court reasserted their independence. The Supreme Court defied the military by granting a writ of habeas corpus for three student leaders who had been imprisoned for three months. Congress protected the immunity of a deputy who had bitterly criticized the military for its brutal treatment of political prisoners and student dissenters. These acts of defiance led the military to dissolve Congress, impose greater censorship, suspend the constitution, and grant the president dictatorial powers. This escalated the use of terrorist tactics by a variety of police forces, local and national. Vigilante groups, operating with the covert approval of the government, joined the official security forces. The systematic use of torture by special units of the military police and the “death squads” reached a level without precedent in Brazilian history. The victims included intellectuals, students, workers, and even priests and nuns, as well as common criminals. Increasingly, Brazilians could express their opposition only in the allegorical style by now made famous by Brazilian popular music and the tropicalistas. On December 14, 1968, *Jornal do Brasil* published such a weather report that forecast “black weather, suffocating temperature, unbreathable air, and a country beset by strong winds.” It could not have been more accurate.

The intensified campaign of repression convinced some elements of the Brazilian resistance that there was no alternative to armed struggle against the dictatorship. There arose some half-dozen guerrilla groups, but they never achieved a mass character. The slaying in 1969 by members of a death squad of the most prominent guerrilla leader, Carlos Marighella, dealt a heavy blow to the movement,

which soon ceased to pose a serious problem for the regime. Brazil remained a police state.

Ruled by a brutal military dictatorship, the Brazilian people continued to express their dissent and discontent through the few available cultural channels. Strongly influenced by a decade of rigid internal military censorship of Brazilian artists and the regime's free-market exposure to the innovative electric sounds of foreign music (especially jazz), a new generation of Brazilian youth grew up less interested in a song's words but very much aware of the liberating power of its sound. Milton Nascimento, perhaps the best known of these young artists, reflected this awareness in his "*Milagre dos Peixes*" ("Miracle of the Fish"), a popular song sung without lyrics to protest military censorship. To overcome the limitations imposed by television and radio censors, these musicians increasingly relied on massive outdoor music festivals to communicate their ideas to the public; these became important sites for the organization of popular opposition to dictatorship.

Urban theater was another form of popular culture through which opposition to the military was expressed. Professional theater battled the dictatorship, using metaphor and historical narrative to escape the censors' disapproval. Chico Buarque's "*Calabar: O Elogio da Traição*" ("Calabar: In Praise of Treason"), for example, used a famous story of betrayal in the seventeenth-century Portuguese-Dutch colonial wars to celebrate Brazilian independence from Portuguese tyranny, an all too obvious metaphor that, after three months, ultimately failed to survive the regime's censorship. Largely because of the military's omnipresent censors, local, decentralized amateur theater dramatically increased. These dramas likewise challenged the power of the military and sought to avoid individual recriminations by collectivizing all production decisions. They used narratives of well-known historical events to communicate themes of popular rebellion and resistance to oppression that resonated with contemporary antidictatorial struggles. *Teatro da rua* (street theater) also flourished during this dark period. It used the techniques of mime and clowning to scorn dictatorship and helped

galvanize popular resistance in the nation's favelas, whose residents could not afford the price of a theater ticket. By the mid-1970s there was a thriving national subculture of popular protest and rebellion that belied the surface calm imposed by the military regime's brutal repression.

Influenced by liberation theology and its "preferential option for the poor," Christian Base Communities also emerged to play a key role in this struggle. Under church protection, women organized community and neighborhood groups that initially limited themselves to "feminine" demands for clean water, better housing, and lower food prices but increasingly became more overtly "political," agitating for the release of political prisoners, a restoration of democracy, and the "reconquest of lost equality." By decade's end, this had spawned a feminist movement, whose media voice, *Brasil Mulher*, claiming a circulation of ten thousand readers, concluded that "capitalism is the origin of numerous forms of the oppression of women."

Afro-Brazilians also created cultural organizations like the Center for Black Culture and Art, which advocated the abolition of racial discrimination and cultivated racial pride associated with a Pan-African consciousness. By 1978, however, these organizations had begun to coalesce in the Unified Black Movement (MNU), which organized *centros de luta* (struggle centers) to protest against racism, "the inevitable consequence of capitalist development." Likewise, a substantial minority of the Catholic Church hierarchy, led by Archbishop Helder Câmara, openly began to oppose capitalism and neocolonialism.

Meanwhile, workers, whose average wages under the military regime's neoliberal economic program had fallen to two-thirds of their 1964 levels and one-half of their 1957 high, had become more vocal. A "new unionism" emerged to challenge the military government's policies and led directly to the formation of the Workers' Party (PT), which participated in the social struggle demanding an end to dictatorship, respect for human rights, and economic justice. Finally, congressional elections in 1978 reflected Brazilians' immense discontent with the economic and social results

of dictatorial rule and the growing strength of an opposition that united ever wider sections of the population.

### THE DICTATORSHIP IN CRISIS, 1978–1983

Three major developments on the Brazilian scene took place between 1978 and 1983. First, a weak recovery from the recession of 1974–1975 soon gave way to an even more severe recession, culminating in a balance-of-payments crisis that brought Brazil to the verge of national bankruptcy. Second, the living standards of the masses continued to decline as a result of mounting unemployment, skyrocketing inflation, and the government's austerity measures, causing increased discontent and resistance on the part of the working class and peasantry. At the same time, opposition to the military regime grew among the middle class and sections of the capitalist class. Third, in an effort to defuse the growing opposition, the regime applied the policy of *abertura*, or "opening toward democracy." This policy of limited political concessions aimed to create a democratic veneer that preserved the military's fundamental power.

The economic crisis resulted from the interplay of domestic and external factors. An important cause was the inability of the domestic market to absorb the growing output of Brazilian industry. For almost two decades, the dictatorship had pursued a policy of promoting the growth of profits and capital by keeping wage increases below the cost of living; this policy sharply limited the purchasing power of the people. The economic downturn of the 1970s and the 1980s, however, also reduced the purchasing power of the middle classes, who provided a major part of the market for cars, television sets, and other durable consumer goods.

The most direct cause of the crisis was an unmanageable balance of payments and debt service problem. By 1980, Brazil had a foreign debt of \$55 billion, the largest in the Third World, and service of the debt absorbed 40 percent of the nation's export earnings. Even Brazil's president complained that because of the drain of interest, Brazil had "nothing left over for development." The high in-

terest rates caused by the monetarist tight money policies of the Reagan administration added to Brazil's debt service burden. The export of a considerable part of the profits made by multinational companies in Brazil also increased Brazil's payments deficit. By 1980 these companies controlled 40 percent of the major industrial and mining enterprises of the country and were sending home 55 percent of their profits.

By 1982 the balance-of-payments problem had reached a critical point. Brazil had almost exhausted the foreign exchange it needed to meet its financial obligations. The foreign debt stood at about \$89 billion, and many of the approximately 1,400 banks that had lent money to Brazil, grown suddenly nervous, were refusing to renew outstanding loans to Brazilian entities. A Brazilian default, however, would have sent shock waves through the world financial system. Once more, the Western financial community's self-interest dictated a rescue operation. The plan, organized by the IMF with strong support from the U.S. government, provided for rollover loans that allowed Brazil to continue paying the interest on its debt, thus maintaining the profits of the international banks. At the same time, austerity measures imposed by the agreement meant that the mass of impoverished Brazilians, already hard-pressed, suffered further. The new loans gave Brazil a breathing space, but the balance-of-payments problem remained as intractable as ever, and the financial juggling act of 1982 could not be indefinitely repeated.

The austerity program imposed by the IMF was a new blow at popular living standards, which had sharply declined since the establishment of the military dictatorship in 1964. In mid-1978 one study concluded that at least 70 percent of the population lived below the officially calculated economic survival level. In 1982 the minimum monthly wage was 23,000 cruzeiros, about \$95. According to Brazilian sociologists, however, a family of five needed three times that amount to survive. The superexploitation of Brazilian workers took its heaviest toll on the weakest group of the population—its children. A partial census taken in 1982 indicated that half of all Brazilian children over ten worked.

These abysmal social conditions led to rural conflict that was intensified by an explosion of land concentration and land-grabbing. In part, this process of land concentration reflected the expansion of capitalist, mechanized agriculture primarily into previously uncultivated marginal and frontier land, producing export crops like soybeans or sugar cane for biofuel. This was partially due to the pattern of Amazonian land settlement ignited by construction of the Trans-Amazonian Highway and other roads. Instead of settling thousands of landless peasant families on the new agricultural frontier, the Amazon Development Agency gave big companies large sums of money to set up vast cattle ranches. As a result, some 95 percent of the new landholdings in the Amazon were of 10,000 hectares or more. Unlike coffee plantations, the large, new soybean and sugar-cane farms and cattle estates employed little labor. Many of the dispossessed or discharged tenants and rural laborers migrated to the cities, swelling the ranks of the unemployed and underemployed and aggravating all the urban social problems.

Thousands of others drifted to the Amazon frontier, becoming *posseiros* (squatters) who raised subsistence crops of rice, cassava, and maize on their small plots. They enjoyed considerable rights under Brazilian law, but these rights had little value on the violent frontier. The *posseiros* were frequently threatened with eviction by powerful land-grabbers, who arrived with their gunmen and sometimes enjoyed the open or covert support of the local military or other officials. The *posseiros* responded by organizing rural unions and defending their land by all the means at their disposal; they found allies in courageous Catholic clergy, who on occasion were arrested, tortured, and even murdered for their humanitarian activities.

Discredited and isolated on account of its failed economic policies and corruption, the military regime sought a way out of its impasse by a strategy of *détente* with the opposition. This policy of *abertura* included the lifting of most censorship; an amnesty that permitted the return of political exiles and the restoration of their political rights; and an overhaul of the political system that allowed the

formation of new parties in addition to the official government and opposition parties.

These concessions were significant, but constitutional amendments, designed to ensure the continuation of military rule, limited their impact. Although the legislative opposition made large gains in the 1982 elections, the military's constitutional reforms had created an all-powerful president who controlled both the federal budget and the operating funds of the states. It still seemed certain that a military officer or a civilian nominee of the military would be the next president of Brazil, but the march of events upset the calculations of the military rulers. The dictatorship had counted on an easy win over opposition candidate Tancredo Neves, but popular mobilization against the military swept Neves to victory. On the eve of his inauguration, however, Neves died, leaving his vice president, José Sarney, to carry out Neves's program of structural reforms, which included land reform and the grant of a larger voice in government to workers and unions. But Sarney took office without Neves's mandate and with little popular support.

#### THE MILITARY AND EXTERNAL CONSTRAINTS ON DEMOCRACY

The transition to democracy and civilian rule, made under the watchful eyes of the military, was a gradual process. Behind the scenes, the military continued to influence the decision-making process on all major issues. Consequently, the Sarney administration made little progress in solving Brazil's great social and economic problems, the chief of which was land reform. This was not simply a question of redistributive justice; it was a prerequisite for the creation of a modern national capitalism based on a large domestic market. In 1985, for example, Sarney signed into law an agrarian reform bill that provided for the distribution of 88 million acres of land to 1.4 million families through 1989. But a 1986 decree limited the land available for distribution and expropriation to state-owned lands and to private holdings whose production

was below the land-use standards set by government agronomists.

So sluggish was the program's implementation that Minister of Agrarian Reform and Development Nelson Ribeiro resigned in protest. The major obstacle to land reform was the fierce resistance of the landowners. Organized under the Rural Democratic Union (UDR) and the Brazilian Society for the Defense of Tradition, Family, and Property, the landowners hired thousands of former military personnel to staff private militias, paying, it was reported, salaries three times higher than those of the army.

If land reform was the most acute, violence-ridden issue of the "New Republic," Brazil's greatest external problem remained the immense foreign debt, which in 1990 stood at about \$120 billion. The continuous drain of foreign exchange had a profoundly negative impact on Brazil's efforts to achieve social reform and economic growth. To many Brazilians, it appeared that the nation must choose between paying the interest and supporting social and economic development.

Sarney defined his position on the debt in a 1985 speech to the United Nations General Assembly: "Brazil will not pay its foreign debt with recession nor with unemployment, nor with hunger. . . . A debt paid for with poverty is an account paid with democracy." These were brave words, in sharp contrast to the docility with which military governments had accepted the debt status quo. But this revolt by a timid president did not last long. Under pressure from foreign bankers and domestic oligarchs, Sarney lifted the debt moratorium and in 1988 began negotiations with the banks for a conventional rescheduling.

On taking office, the Sarney administration found the economy in recession, racked by galloping inflation and high unemployment. To combat this economic crisis, he announced an austerity program, *Plan Cruzado*, which established a freeze on wages, prices, and rents, and replaced Brazil's monetary unit, the cruzeiro, with a new and strong monetary unit, the *cruzado*. He also announced a series of currency devaluations designed to maintain export effectiveness. To reduce government

expenditures, he immediately closed or merged fifteen state companies and scheduled thirty-two more in the coming months. Most painful of all, he decreed large increases in postal rates, the cost of utilities, fuel, and sugar, and 100 percent increases in taxes on cigarettes and alcoholic beverages.

An explosion of popular wrath followed these announcements. Brazilian wage earners' purchasing power, already slashed 30 percent since 1986, faced another decline of 29 percent. Consequently, the two national labor federations, the *Central Unica dos Trabalhadores* (CUT) and its rival, the *Central Geral dos Trabalhadores* (CGT), joined in a general strike to seek repeal of the austerity program. By mid-1987 Sarney's popularity had declined to the vanishing point. The U.S. banker David Rockefeller astutely noted the source of this decline: "In all my visits to Brazil, I have never before come across such desperate poverty."

In 1988 the national Congress, acting as a constituent assembly and influenced by this massive popular mobilization, gave the country a new democratic constitution that represented a sweeping rejection of all the late military regime had stood for. It provided for popular election of the president and mandated that Brazilians should vote in 1993 to choose between the presidential and parliamentary systems. Presidential rule by decree, so often used by the military regime, was abolished. The basic civil rights of freedom of assembly, speech, and the press were guaranteed; workers were given the right to strike and engage in collective bargaining; and the workweek was reduced from forty-eight to forty-four hours. Another provision nationalized oil- and mineral-mining rights.

The constitution promised protection of indigenous rights but contained no concrete measures to prevent the destruction of their culture and habitat, the Amazon rain forest. With the financial support of the military regimes and their civilian successors, big ranchers and mining companies, both Brazilian and foreign, cut down or burned vast stretches of forest to graze cattle or strip-mine, threatening the survival of indigenous peoples and *seringueiros* (rubber tappers). Hired gunmen, protected by corrupt and racist government officials,

often murdered those who protested the exploitive practices of the ranchers and mine owners.

Sarney's administration received a stunning rebuff from Brazilian voters in the 1988 municipal elections, in which labor and socialist parties captured control of the major Brazilian cities and a majority of state capitals. Led by the militant trade union leader Luís Inácio da Silva (Lula), the Workers' Party, with a membership that grew into millions, was among the most dynamic of these new progressive political parties. Popular political protest seemingly had succeeded once again in transforming an elite effort to limit democracy and institutionalize military power into an instrument of mass mobilization. But the popular movement's focus in the 1980s had been largely procedural rather than substantive: it sought to end military dictatorship and open state policy to the influence of democratic participation. Although the devastating social consequences of the military's neoliberal policy drove this political project, it was not yet the target of mass mobilization.

## Military Dictatorship and Neoliberalism in Chile, 1973–1990

Like Brazil, Chile experienced a similar pattern of military dictatorship, followed successively by implementation of neoliberal "reforms," popular resistance to dictatorship, and expansion of limited democratic rights. After a violent military coup, led by General Augusto Pinochet, toppled the democratically elected socialist president, Salvador Allende, Chileans endured a brutal and large-scale repression. The four-man military junta, with Pinochet in control, set about "regenerating" Chilean society. To this end, they abolished all political parties, suppressed civil liberties, dissolved the Congress, banned union activities, prohibited strikes and collective bargaining, and erased the Allende administration's agrarian and economic reforms. The junta jailed, tortured, and put to death thousands of Chileans, including Víctor Jara, who had reportedly defied military authorities by singing "Venceremos" ("We Shall Overcome"). The dreaded secret police, DINA (*Dirección de Inteligencia Nacional*)—with guidance from Colonel

Walter Rauff, a former Nazi who had supervised the extermination of Jews at Auschwitz—spread its network of terror throughout Chile and carried out assassinations abroad. The junta also set up at least six concentration camps. One of every one hundred Chileans was arrested at least once under the military regime.

### PINOCHET, STATE TERRORISM, AND FREE MARKETS

Meanwhile, Pinochet worked to legitimize his brutal regime and, under cover of The Feminine Power (EPF), an organization of aristocratic and middle-class women who had opposed Allende, he sought to cultivate a female constituency committed to "traditional family values," self-sacrifice, and loyalty to the motherland. He established a National Ministry of Women and his wife, Lucía Hiriart, rejuvenated the Mothers' Centers, eventually organizing 10,000 groups that claimed 230,000 members. But the family was an early victim of the regime's political terror, and its economic policies also alienated working-class women.

Pinochet, influenced by a group of economists known as the Chicago Boys because many had studied at the University of Chicago under Milton Friedman, implemented his neoliberal, free-market doctrines. Public spending was cut drastically, almost all state companies privatized, the peso devalued, and import duties sharply reduced. The social consequences of the "shock treatment" soon became apparent. Gross domestic product fell 16.6 percent in 1975. Manufacturing suffered particular injury, with some industries, like the textile industry, devastated by foreign imports. Wages had fallen by 1975 to 47.9 percent of their 1970 level. Unemployment stood at 20 percent, or 28 percent if the people working in government emergency programs were included.

A recovery partly based on export products—minerals, timber, and fish—but above all on a speculative spree of immense proportions began in 1977 and turned into a boom that lasted until 1980, with annual growth rates averaging 8 percent. The Chilean "economic miracle," however, was superficial and short-lived. Hoping to attract heavy foreign investment that would turn Chile



During the 1980s, as the popular mobilization against the Pinochet dictatorship grew in numbers and audacity, the walls once used to divide and control neighborhoods became a national canvas upon which cultural resistance to oppression was graphically inscribed. This mural in Santiago celebrates the art of Violeta Parra and Víctor Jara, two martyred champions of social justice and popular democracy. [Art by Alberto Díaz Parra, in Santiago, Chile, August 1989. Published in *Muralismo: Art in the Popular Chilean Culture*, © 1990 Committee of Defense of the Chilean Culture]

into a South Korea or Taiwan, the Chicago Boys deliberately kept interest rates high. Foreign capital poured in, but almost all of it came in the form of loans to Chilean banks, which profited enormously by borrowing abroad at 12 percent and lending at 35 to 40 percent. The borrowing companies, subsidiaries of a few huge conglomerates, did not invest in production, which the high interest rates made unprofitable, but used the loans for speculation in real estate or to buy up at fire-sale prices the state companies sold under the privatization program.

The bubble burst in 1980. By the end of 1981, the government, in violation of its own free-market principles, was forced to take over the nation's largest banks to forestall economic calamity. Bankruptcies multiplied, and production declined

sharply. Between 1982 and 1986, unemployment rose to more than 30 percent, and real wages fell by as much as 20 percent. An earthquake in 1985 added to the country's economic woes. By the late 1980s the economy was heavily dependent on foreign loans. With a population of 12.5 million, Chile's foreign debt in 1991 stood at \$17 billion, in per capita terms one of the heaviest debt burdens in the world. In its last years the Pinochet regime swapped debt for ownership of Chilean industries and natural resources, with a resulting growth of foreign control of the nation's economy.

Great landowners who controlled the production, commercialization, and export of agricultural products profited handsomely. Exports of fruit and agricultural products sharply increased in these years. But the modernization and expansion of

Chilean agriculture did not benefit the mass of the rural population, who lost most of the land and other gains made during the Allende years, suffered police repression, and endured chronic unemployment. Farm workers, prevented from forming labor unions and denied welfare benefits, worked no more than three or four months at a time and often lived in intolerable conditions.

The situation was even worse in urban areas, whose high levels of unemployment and underemployment forced workers to live with their families in squalid, overcrowded shantytowns. Even the middle class suffered a sharp decline in its standard of living. Between 1978 and 1988, the wealthiest 20 percent of the population increased their share of the national income from 51 to 60 percent. The next 60 percent, which included Chile's large middle class, suffered a substantial drop in income, their share falling from 44 to 35 percent. And the poorest 20 percent continued to receive a meager 4 percent.

#### WOMEN AND RESISTANCE TO DICTATORSHIP

During the dictatorship's first decade, the opposition to Pinochet was fragmented. Nonetheless, Pinochet's harsh repression and unsuccessful economic policies soon gave rise to mass opposition. Although the Catholic Church had initially supported the *Pinochetazo*, the Vicariate of Solidarity organized community support networks to provide legal aid, health care, and employment in craft workshops to working-class communities devastated by the dictatorship's political terror and economic war against the poor. Within a few months after the coup, the Vicariate served 700,000 people, many of whom were women who became involved in what political anthropologist James Scott calls "infrapolitics," a dissident political culture largely hidden from the powerful but actively engaged in everyday forms of resistance. For example, these women hid people fleeing Pinochet's terror, baked and distributed bread containing secret messages about clandestine opposition activities, circulated information about the "disappeared," and created *arpilleras*, a folk art that used burlap and other common materials to fashion powerful political indict-

ments of the dictatorship. These *arpilleristas* later participated in hunger strikes and *encadenamientos* (chain-ins), chaining themselves to the Supreme Court building, Pinochet's house, and various other government buildings to protest against the dictatorship.

The dictatorship especially damaged women's social position in Chilean society. It restored the *potestad marital*, which authorized a husband's legal control over his wife and her property, eliminated women's protective labor legislation, restricted women's access to unemployment compensation, disqualified women for legislative positions, and reduced women's median income from 68 to 36 percent of men's. These reverses in women's wage rates, coupled with skyrocketing male unemployment, created greater market demand for women's labor and the female work force grew 4.5 percent by 1985 even as the proportion of female heads of households increased 4 percent.

Women therefore played an active role in the political opposition; for example, to commemorate International Women's Day on March 8, 1978, the Women's Department (DF), a women's trade union group, organized the first public demonstration against Pinochet. However, women's antidictatorial struggles also became increasingly antipatriarchal. A decade later, at the Days of Protest demonstrations, women's groups like the Feminist Movement (MF) called for "Democracy in the Nation and in the Home." This described a comprehensive democratic agenda to end the dictatorship, reform the constitution, eliminate misogynistic civil, criminal, and labor legislation, create a ministerial office for women's issues, revise educational curricula, and establish a government affirmative action goal of 30 percent female employment.

Under growing pressure from this swelling democratic movement, Pinochet made limited concessions to the demands for democratization and amnesty for political prisoners and exiles, even as the repression sometimes intensified. Maneuvering to remain in power, Pinochet called a plebiscite for October 1988, in which Chileans voted by a resounding 54.6 percent to 43 percent to deny Pinochet a new term as president. But the old dictator had fallback positions. By the terms



Mass opposition to the economic policies and repressive tactics of President Augusto Pinochet erupted in 1983 and 1984. Here thousands of Chilean youths march through Santiago calling for democracy and jobs for unemployed copper workers. [Carlos Carrión/Sygma/Corbis]

of an undemocratic constitution imposed on the country in 1980, even if defeated, Pinochet was to remain in power for one more year until new elections determined his successor. But Pinochet still presided over a military council with broad powers, appointed one-third of the new Senate, and himself became a senator for life. In the aftermath of their electoral triumph, thousands of Chileans jubilantly jammed Santiago streets to demand the general's resignation from the army, but the civilian opposition leadership instead cut a deal with Pinochet. In exchange for the military's agreement to respect the plebiscite's mandate for a return to civilian governance, these leaders accepted his imposed constitution, which sustained the reign of Pinochet's economic model and his power to veto any significant political or social change. It also

prolonged an abiding impunity for the military killers and torturers protected by the dictatorship's self-serving amnesty law.

### **Military Dictatorship and Neoliberalism in Argentina, 1976–1990**

Like Brazil and Chile, the chaotic collapse of populism in Argentina produced a military coup that overthrew the democratically elected, but wildly unpopular, government of Isabel Perón, wife of the deceased populist caudillo. In the ensuing years, the military, led by General Jorge Rafael Videla, adapted the Brazilian bureaucratic authoritarian model to Argentine conditions, unleashed a reign

of terror unprecedented in the nation's history, and imposed an equally harsh neoliberal economic policy that decimated Argentine society. By the summer of 1982, the annual rate of inflation shot up to a catastrophic 500 percent, the highest in the world. Economic growth fluctuated wildly. Worst of all, the free-market policies of finance minister José Alfredo Martínez de Hoz led to record numbers of bankruptcies and bank failures. By eliminating tariffs on imported industrial goods and reducing government involvement in the economy, Martínez de Hoz presided over the destruction of many of Argentina's largest corporations. The real wages of Argentine workers plummeted 40 percent between 1976 and 1979, before recovering in 1980 and falling again in the severe crisis of 1982.

### ECONOMIC CRISIS AND "DIRTY WAR"

Between 1975 and 1990, Argentina experienced a prolonged period of economic stagnation, low or erratic growth coupled with high inflation, and declining manufacturing production. This produced sharply rising unemployment that contributed to falling real wages, increasing income inequality, and the dramatic growth of an "informal sector" comprised mostly of impoverished urban female street vendors. Misery spread as the share of households earning income below the poverty line steadily expanded from 2.6 percent in 1974 to 7.5 percent in 1980 to a record high of 38.3 percent in 1989.

Naturally, this economic devastation contributed to political discontent and social turmoil. To defend its power, Videla's military junta banned all normal political activity and embarked on a "dirty war" against its opponents. Under military rule, some thirty thousand Argentines disappeared, many victims of illegal paramilitary death squads. Argentines came to fear the knock on the door at midnight, after which unknown kidnappers would take family and friends, who were never to be heard from again.

Opposition to the military's barbaric cruelty grew steadily, if clandestinely. Popular movements among human rights advocates, labor, youth, community groups, and women replaced direct po-

litical action. Human rights organizations, with a longer history of social activism, were most influential. These included veteran groups like the Communist Party-affiliated Argentine League for Human Rights, established in 1937, and the Permanent Assembly for Human Rights, co-founded in 1977 by Raul Alfonsín, who later parlayed his prestige into a convincing presidential electoral victory in 1983.

Labor, on the other hand, long the most powerful organized social group in Argentina, suffered dramatic declines because it was a special target of the military's political and economic violence. Determined to eradicate all vestiges of working-class resistance and heroic struggle, military officials attacked the gender identities of union leaders by subjecting them to what Jean Franco calls the "feminization" of torture: systematic assaults on the reproductive organs of men and women. Economically, union membership fell as privatization, government budget cuts, and foreign competition combined to increase unemployment. Under these conditions, important sectors of the labor movement, especially the leadership of the General Labor Confederation (CGT), collaborated with the military government. Some even testified years later that they "did not remember" the massive disappearance of workers and shop stewards during the dictatorship.

Young people also resisted the military's invasion of their schools, disruption of home life, and wholesale assault on youth culture. With traditional vehicles for expressing youth activism closed, their outrage found new channels of discontent, the most influential of which was "national rock." Outdoor concerts during the dictatorship regularly drew as many as sixty thousand youth who routinely defied the authorities with collective chants of "*Se va a acabar*" ("The dictatorship will soon end") and thrilled to the subversive lyrics of Argentine rock stars like Fito Paez, León Gieco, and Charley García. For example, García's "*Los dinosaurios*" ("The Dinosaurs") lampoons the military as witless prehistoric beasts destined to extinction, and Paez's "*Tiempos difíciles*" ("Hard Times") envisions the fires of hell emerging from the nation's cemeteries to avenge the youthful disappeared.

Community organizations offered a similar outlet to adults threatened by the military's economic and political war against citizens. With the moral, logistical, and financial support of local parish priests, squatters—impoverished, homeless, and unemployed families—organized to reclaim vacant lands in urban centers. The first such group, the Neighbor's Commission, organized some twenty thousand people for a land invasion in San Francisco Solano, a working-class neighborhood in Buenos Aires. Thereafter, these neighborhood groups spread rapidly, protesting higher taxes, skyrocketing food prices, decreased social services, the lack of affordable housing, and inadequate schools and health clinics.

#### WOMEN, WAR, AND RESISTANCE

Drawing on a rich historical legacy of “social motherhood,” Argentine women, in the words of Jean Franco, “subverted the boundaries between public and private and challenged the assumption that mothering belonged only to the private sphere.” The best known of these women's groups, the Mothers and Grandmothers of the Plaza de Mayo, became the country's moral conscience. They refused to be intimidated by the military's daily death threats and routinely marched in the Plaza de Mayo, the nation's “symbolic center,” demanding the return of their “disappeared” children and calling for the end of a dictatorship whose political and economic policies destroyed family life.

Women also campaigned for the abolition of compulsory military service, joint child custody, reproductive rights, sex education, and legal rights for children born to unmarried mothers. An organization known as Housewives of the Country denounced the high cost of living, sponsored shopping boycotts, and coordinated voluntary blackouts to protest the regime's neoliberal economic policies. Collectively, these popular protest movements weakened the military dictatorship and laid the organizational foundation for a return to democratic civilian government in 1983.

Facing growing domestic opposition and international pressure, the military sought to divert

the nation from the government's program of economic and political violence by manipulating traditional *peronista* populist themes of nationalism and anti-imperialism. Suddenly, Argentine soldiers, who earlier had been ordered to root out domestic opposition to the dictatorship's sale of the national patrimony, were now sent to defend Argentina's national dignity against British colonialism by capturing the Malvinas Islands (also known as the Falklands) in the south Atlantic, three hundred miles off the coast.

The invasion was the culmination of a series of colossal miscalculations by the Argentine military. First, it had not expected Britain to fight to retain the islands. The British, however, sensitive to their position as a declining world power, chose to fight as a matter of national honor. The Argentines also misjudged the position of the United States. They believed that the United States, which had recently made a number of friendly overtures, would remain neutral in the conflict. Instead, after an initial period during which it tried to mediate a peaceful agreement, the United States actively supported the British.

The war was a disaster for Argentina. Thoroughly humiliated and discredited, the military faced an unprecedented political and economic crisis. Inevitably, the generals had to yield power to a civilian government. Argentina ended nine years of nightmarish military rule in the fall of 1983 with the landslide victory of Raul Alfonsín, whose visibility in the human rights movement had earned him popular support. Alfonsín thus became the first democratically elected majority president since Perón in 1946.

Alfonsín first attacked inflation, which soared to 1,200 percent in 1985, by instituting the “austral plan.” This established wage and price controls, replaced the peso with a new currency, the *austral*, and reduced government spending. Almost overnight, currency stabilized, and inflation fell to 25 percent. Though the immediate crisis ended, the nation's economic problems remained manifold and profound. Argentina's industrial base was technologically backward, its foreign debt exceeded \$50 billion by the late 1980s, and it was still dependent on primary export markets plagued

by low prices. Unemployment in 1985 was the highest it had been in twenty years.

Alfonsín faced the difficult problem of the trials of the military accused of atrocities during the so-called dirty war of the 1970s and failures during the war with Great Britain. When the military refused to try officers in its own courts, the president transferred the cases to civilian jurisdiction and appointed a commission to investigate military terrorism. The commission found the armed forces responsible for 8,971 disappearances; it documented torture, kidnapping, and other crimes, and labeled the acts as “the greatest and most savage tragedy in our history.” In the trials that followed, several generals were convicted and given long prison sentences. But in 1987, against overwhelming public opposition, Alfonsín ended prosecutions of lower-rank military for human rights abuses on the grounds that they had simply carried out orders.

Alfonsín also faced an economic crisis of unprecedented proportions in 1989 when Argentina’s per capita gross product fell more than 15 percent. To cope with the crisis, he resorted to neoliberal remedies, seeking to push exports and enacting the austerity measures—cuts in government services and wage restraints—demanded by the IMF as a condition for new foreign loans to keep the Argentine economy afloat. By spring 1989 the foreign debt stood at about \$60 billion. Payment on the debt took some \$6 billion a year, but the country’s earnings in 1988 were below \$3 billion. The deficit had to be made up by new loans, which only increased the country’s dependency. The policy of austerity and faithful service of the foreign debt meant that little capital was available for development. The economic program contributed to a deterioration of the infrastructure, with long daily blackouts and energy rationing.

The situation sparked a week of food riots that spread across the country, with desperate thousands of people swarming supermarkets and cleaning out the shelves, although leaving the cash in the registers. The government responded by declaring a nationwide state of emergency and banning all demonstrations and strikes, but this popular uprising effectively marked the political demise of electoral support for policies openly associated with

neoliberalism in Argentina. Without the coercive power of a discredited military dictatorship, neoliberalism seemed incompatible with Argentina’s new democracy, but international pressures and electoral deception combined to prolong it for another decade in Argentina, as in Brazil.

## Neoliberalism and the Authoritarian State in Mexico, 1977–1994

Quite unlike the democratic states overthrown by violent military dictatorships in Brazil, Chile, and Argentina, Mexico boasted a stable one-party authoritarian state that had consolidated its authority through the exercise of populist policies and the creation of powerful state institutions. As a major petroleum exporter, Mexico, like Venezuela, also benefited from the skyrocketing oil prices produced by the 1975 Arab oil embargo. As a result, the rise of neoliberalism in the aftermath of populism’s collapse in Mexico was decidedly different than in the southern cone, although it relied heavily on a clandestine “dirty war,” political corruption, and electoral fraud. The transition began with José López Portillo, who assumed the presidency on December 1, 1976. He continued the long-established policy of favoring the country’s elites, opposing further large-scale land distribution and protecting efficiently run large estates even if their size exceeded legal limits. In the words of one Mexican weekly, “The constitution is to protect peasants wearing collars and ties, and not those wearing rope sandals.”

### DEBT, CRISIS, THE IMF, AND POPULIST COLLAPSE

Amid growing optimism over Mexico’s economic prospects, López Portillo announced the discovery of vast new oil and gas deposits on Mexico’s east coast. Figures for the country’s estimated and proven oil reserves steadily rose to 200 billion barrels by 1980, and Mexico ranked among the world’s major oil producers. With record high oil prices, government planners counted on the oil and gas bonanza to alleviate Mexico’s balance-of-

payments problem and to finance the purchase of imported goods needed for further development. The resulting expansion of production, however, was largely concentrated in capital-intensive industries—petrochemical factories, steel mills, and the like—that generated relatively few jobs and required expensive imports of capital equipment. In agriculture, too, the main growth was in capital-intensive, export-oriented agribusiness operations that created little employment and diverted labor and acreage from staple food production, which actually declined during the 1970s; by 1980 one-third of the maize consumed in Mexico came from the United States.

The high cost of imported equipment and technology required to expand oil production required new loans. Despite increasing revenues from oil and gas exports, Mexico's trade deficit steadily rose from \$1.4 billion in 1977 to \$3 billion in 1979. Inflation again moved upward; Mexican workers lost 20 percent of their purchasing power between 1977 and 1979. Despite these troubling signs, international bankers appeared eager to lend more, advancing Mexico \$10 billion in 1980. Who could question the credit of a country that seemed to float on a sea of oil?

The oil boom and the massive infusions of foreign loans exacerbated the familiar problem of corruption in Mexican political life. One Mexican newsmagazine, *Proceso*, estimated that López Portillo's administration had misused or stolen \$3 billion of public funds. Much of this money financed a wave of private construction, but "the dance of the billions" was drawing to a close. In the first months of 1981, responding to weakening demand and a growing world oil glut, oil prices fell sharply. Mexico's projected earnings in 1982 from oil and gas exports, the source of 75 percent of its foreign exchange, fell from \$27 billion to under \$14 billion. Many wealthy Mexicans, losing confidence in their currency, hurried to buy dollars and deposit them in U.S. banks. In February 1982, with the government's foreign-exchange reserves dwindling at an alarming rate, López Portillo allowed the peso to fall by 60 percent. Fear of further devaluations provoked another flight of dollars. The growing shortage of dollars, vitally needed fuel for

Mexican industry, caused a widening recession and unemployment.

Bankruptcies and closings multiplied as more and more businesses lacked the funds needed to obtain imported parts and raw materials or to pay debts contracted in dollars. With the Banco de México almost drained of reserves, López Portillo, desperate to avoid national economic collapse, announced the nationalization of all private (but not foreign) banks and the establishment of stringent exchange controls. Although the PRI and its client organizations joined with trade unions and progressive parties to support the bank nationalization, the most radical measure taken by a Mexican president since Cárdenas seized the oil industry in 1938, the private banking sector howled in protest.

In Washington, usually so allergic to populist measures smacking of collectivism or socialism, the bank nationalization did not arouse the hostility that might have been expected, probably because, given the circumstances, even U.S. officials regarded it as a necessary step. The Reagan administration's primary concern was to save Mexico, the third-largest trading partner of the United States, from a default that could wreck the international banking system and bring down the great U.S. banks to which Mexico owed \$25.8 billion, almost a third of its foreign debt. But U.S. officials, in exchange for short-term loans to bridge the debt crisis, seized upon Mexico's economic vulnerability to negotiate a rescue operation that required Mexico to open its industry to foreign investments, sell off state-owned enterprises, reduce protective tariffs against foreign trade, and abandon regulation of direct foreign investment. The plan specifically provided for U.S. aid of \$2.9 billion for Mexico's current-accounts problem; a seven-month freeze on the repayment of principal due to foreign bankers; and an eventual IMF (International Monetary Fund) loan of \$3.9 billion, which could initiate a new cycle of commercial bank loans to Mexico. The IMF loan was, of course, subject to the usual neoliberal conditions; Mexico must accept certain austerity measures: reduction of state subsidies, restraints on wage increases, and other economies that were bound to hit Mexico's poor the hardest.

Even before he took office, the PRI's designated successor, Harvard-trained economist Miguel de la Madrid, had indicated his approval of the strong financial medicine prescribed by the IMF. These politically unpalatable steps included price increases of 100 percent and 50 percent on gasoline and natural gas, respectively, and the lifting of price controls and subsidies for consumer items ranging from shoes to television sets. Another measure was a new devaluation of the peso that aimed to stimulate exports. However, it also made imports more costly, increased the burden of foreign debt service, reduced real wages, and imposed heavy new burdens on already impoverished Mexicans. This solution to the Mexican crisis, in essence, added new debts to old ones, without the slightest prospect that Mexico could ever pay the huge \$85 billion foreign debt or even significantly reduce it without a large write-off. Four years after the rescue operation, the debt problem was more intractable than ever, rising to more than \$100 billion by the fall of 1986.

Thus, Mexico faced a profound, many-sided crisis. In essence, it was a crisis of the import-substitution model of development institutionalized by Cárdenas and continued by his successors. That model was based on state ownership of key industries, protection and subsidies for private industry, and such redistributive policies as the provision of social services, subsidized food prices, and land reform. It also called for the alternate use of co-optation and repression by the one-party state to keep restive labor, peasants, and intellectuals in line. By the early 1980s, however, that model, encumbered by a suffocating foreign debt, had exhausted its possibilities for growth.

#### **ELECTORAL FRAUD, MAQUILADORAS, AND NAFTA**

Confronted with this crisis, a dominant section of the Mexican elite opted for a new, neoliberal model of development that abandoned the internal market in favor of exports of manufactured goods and integration with the world economy, especially with the United States. De la Madrid's economic program marked the formal transition to the new economic order. Two important steps in that direc-

tion were Mexico's signing in 1986 of the General Agreement on Tariffs and Trade, designed to lower tariffs and eliminate quotas and other restrictions on trade, and the liberalization under U.S. and Japanese pressure of foreign investment laws. The neoliberal remedy imposed by the IMF and embraced by Mexican propertied elites was politically possible in Mexico only because its one-party authoritarian state, like the military dictatorships in Brazil, Chile, and Argentina, prevented independent popular political participation.

The full implementation of the neoliberal project, however, had to await the outcome of the historic 1988 presidential election, which pitted the PRI candidate, another Harvard-trained economist, Carlos Salinas de Gortari, against Cuauhtémoc Cárdenas, son of former president and national hero Lázaro Cárdenas. Cárdenas's populist program called for an end to political corruption and electoral fraud, suspension of foreign debt payments, renegotiation of the debt with creditor banks and governments, a mixed economy, and state assistance to the ejido farming sector. His candidacy inspired a wave of popular enthusiasm and mobilization unknown since the election of 1934 that had brought his own father to power.

Most political observers believe that Cárdenas actually won the general election, but because the PRI counted the votes, Salinas was declared the winner with 50.1 percent of the 19 million ballots cast. Despite mass protests, including a march of thousands on Mexico City, Salinas assumed office and immediately slated for privatization almost all of Mexico's remaining 770 state-owned enterprises. He presided over a fire sale of some of Mexico's choicest properties, including mines, sugar mills, a five-star hotel chain, and the national insurance company. Two government airlines, state-owned steel companies, 70 percent of the petrochemical industry, and the Teléfonos de México were sold, many well below their market value, and only some were operating inefficiently at a loss. The privatization process also produced widespread layoffs, wage cuts, and growing foreign conquest of Mexican industry, aided by repeal of the law that restricted foreign control to 49 percent ownership of Mexican businesses. Ob-

servers noted that the state companies were sold to the same small group of people and their foreign partners who already controlled most of Mexico's economy, with no effort to promote "popular capitalism" through stock offerings in the open market. "Crony capitalism," ran one comment, "seems to be the current government's style."

The removal of most tariff barriers destroyed many small and medium-sized domestic businesses and reinforced the denationalization of Mexican industry sparked by privatization. These developments reflected a general tendency on the part of Mexico's recent rulers to abandon the struggle for economic independence that had been a major goal of the Mexican Revolution, Lázaro Cárdenas, and the nationalistic presidents who followed him. The foreign conquest of the Mexican consumer goods market since 1986 was very evident: "Everything from Italian pasta and Diet Coke to European cookies and Italian loafers is now available. . . . In many cases local manufacturers have closed down because imports are cheaper and better made."

The decision to abandon the struggle for economic independence was reflected in the Mexican government's encouragement of the maquiladora program that permitted U.S. companies to establish plants for export production of parts and their assembly on the Mexican side of the border. The program allowed duty-free entry of parts and machinery into Mexico and total U.S. ownership of the plants. U.S. customs regulations permitted the finished products to enter the United States with duty paid only on the value of the labor, not on that of the goods themselves. The lure of low wages (averaging between \$3.75 and \$4.50 per day) caused an explosive growth of maquiladora plants, whose number grew from some 455 with 130,000 workers in 1982 to over 2,000 with more than 600,000 workers, two-thirds of them women, in 1998. In these plants workers assembled television sets, radios, computer hardware, and the like for the American market.

Many of these plants were unorganized, and in some the workers were represented by government-controlled unions that usually offered employers "protection contracts" that kept wages low and did not meet the labor standards mandated by the

Mexican Federal Labor Law. For example, the predominantly male supervisors in these U.S. companies routinely subjected a mostly poor, uneducated female labor force to sexual violence, harassment, and discrimination. To avoid the expense of complying with Mexican laws that mandated paid pre- and postpartum maternity leaves, these companies, according to a 1998 U.S. Labor Department report, often screened out pregnant job applicants, forced women employees to take birth control pills, and checked their menstrual flows. In addition, they often required women workers to submit to regular urine tests and arbitrarily fired pregnant women or reassigned them to physically challenging tasks designed to induce voluntary resignations or miscarriages. Moreover, according to University of Chicago sociologist Leslie Salzinger, this "sexualization of factory life," symbolized by annual industrywide "Señorita Maquiladora" beauty contests, discouraged worker solidarity and contributed directly to skyrocketing rates of violent crime against women.

Nonetheless, Mexican officials defended the program by arguing that it relieved high Mexican unemployment. But because many of the plants were true sweatshops, with health and safety problems widespread among the workers, it tended to institutionalize poverty on both sides of the border, for the program inevitably tended to depress wages in the U.S. border zone. In the United States, unions were concerned about the loss of thousands of jobs and the prospect of more to come. Environmentalists and health workers criticized the shockingly poor environmental and health record of the maquiladoras, which freely released various toxins into the air and water and routinely neglected to treat hazardous wastes. The American Medical Association declared that the maquiladoras had created "a virtual cesspool" on the border.

The neoliberal assault on state regulation especially affected women. Privatization eliminated relatively high-paying jobs for men and thereby placed additional burdens on women to supplement family income by working outside the home, often as salaried employees but more commonly as self-employed street vendors in the "informal sector." The maquiladoras especially sought out

women workers, largely because management viewed them as more docile and likely to accept lower wages. Consequently, between 1970 and 1993, women's waged employment almost doubled from 17.6 to 33 percent of the total work force. But, according to a recent study, 40 percent of women workers earned less than the minimum wage, and 60 percent received no additional benefits; moreover, 44 percent worked part time (less than thirty-five hours per week), and more than 54 percent were self-employed, working in micro-enterprises or on the streets.

All these economic, social, and environmental problems were exacerbated by the North American Free Trade Agreement (NAFTA), approved by the U.S. and Mexican Senates in November 1993. NAFTA eliminated tariffs between Canada, the United States, and Mexico over fifteen years and permitted the free flow of investment capital across borders. This provided foreign investors with lucrative incentives to relocate their companies to take advantage of Mexico's low wages, which, according to the Economic Research Institute of Vienna, averaged only \$2.35 per hour in 1993, compared with \$17.02 in the United States, \$16.16 in Japan, and \$25.94 in Germany. But it also created an unprecedented crisis for the ejido sector of Mexican agriculture, which could not compete with corporate agribusiness in the United States. Even before the passage of NAFTA, Mexican small farmers faced increasing competition from foreign agricultural imports due to Mexico's entry into the General Agreement on Tariffs and Trade (GATT) and steadily reduced import restrictions. NAFTA, allowing the free entrance of U.S. corn into Mexico, doomed small Mexican maize producers and ejidatarios who comprised 45 percent of all maize producers, since maize cost about two or three times as much to produce per ton in Mexico as in the United States. Moreover, U.S. farmers still benefited from various government subsidies that enabled them to undersell their Mexican competitors.

The very existence of the ejido system was threatened by a 1992 reform of Article 27 of the constitution. This constitutional reform allowed the division of ejidos into individual lots and their

rental, sale, or joint cultivation with domestic or foreign partners. The provision for rental of ejido land legalized a previously existing practice, but the lure of cash induced many impoverished ejidatarios to sell their land. Others lost their land through foreclosure by banks. Increasingly, companies with easier access to credit and capital bought the most productive areas of the Mexican countryside.

Where did the hundreds of thousands of farmers who abandoned the land as a result of NAFTA and the agrarian reform go? Many left for the overcrowded cities, swelling the numbers of unemployed or underemployed Mexicans; others found low-wage jobs in the border maquiladoras or on farms producing fruit or vegetables for the U.S. market. Many headed for the United States to join the pool of Mexican undocumented workers, numbering in the millions and growing between 200,000 and 300,000 a year, who worked in agriculture, domestic service, small industry, and food service. The existence of this pool of low-paid, vulnerable workers—vulnerable precisely because they were undocumented, subject to deportation—represented a source of superprofits to employers and contributed to the weakness of organized labor.

Despite widespread poverty and repression, there appeared to be little effective political opposition to the PRI's monolithic control of Mexican politics and its neoliberal economic program until the PRI held the traditional *destape* or "unveiling" of its presidential candidate, Luis Donaldo Colosio, who had managed the fraud-riddled 1988 election. Then a succession of dramatic events shattered Mexico's surface calm, raising serious doubts about the ruling party's secure grip on power and its internal unity. On New Year's Day 1994, a revolt led by a self-styled "Zapatista Army of National Liberation" (EZLN), believed to number several thousand members, broke out in the southern state of Chiapas, one of the poorest regions of Mexico, with a largely Mayan population. The rebels proclaimed NAFTA and its free-trade program "a death certificate" for the native peoples of Mexico and demanded sweeping political and economic reforms, including self-rule for Mexico's

indigenous communities, repeal of the reforms to Article 27, and fraud-free elections. They seized the highland city of San Cristóbal de las Casas before melting back into the Lacandon rain forest after a savage counteroffensive by fourteen thousand Mexican army troops, accompanied by bombing of villages, summary executions, torture of suspects, and other repressive measures.

With some specific features that reflected its tragic history, Chiapas's problems epitomized those of rural Mexico. The Mexican Revolution of 1910 never really reached Chiapas, with the result that no agrarian reform took place there. The great landowners still owned about 40 percent of the land, whereas 63 percent of the campesinos owned plots smaller than 2.5 acres. Emboldened by the crisis and the standoff with the government, land-hungry campesinos, not willing to wait for the government to act, occupied nearly 100,000 acres of farmland, resulting in armed clashes with paramilitary groups who had been organized by the great landowners.

Severely eroded soils, the Salinas administration's cutbacks in credit and subsidies, and the collapse of world coffee prices aggravated the campesinos' problems. According to economist José Luis Calva, the "time bomb" that exploded in Chiapas resulted from the government's structural adjustment plan and the official free trade policy, which resulted in a greatly increased importation of cheap corn from the United States. In his view, the reforms to Article 27 of the constitution, threatening what remained of the communal ejido system, "detonated" the crisis.

The Chiapas crisis deeply wounded the PRI and the Salinas regime, exposing sharp disagreements that widened appreciably with the shocking assassination of Colosio. Although Salinas quickly named another U.S.-trained economist, Ernesto Zedillo Ponce de León, as the PRI's new presidential candidate, a large majority of the Mexican public did not expect honest elections. So widespread skepticism greeted the government's announcement that Zedillo's margin of victory topped 50.08 percent, the "magic number" needed to retain control of the Congress and ensure a presidential

mandate. Charging "colossal fraud," Cuauhtémoc Cárdenas's opposition party discovered more than six thousand polling places in which more votes were cast than the number of voters on the voting list. An unknown number of persons had been erased from the voting rolls; the independent observer group Civic Alliance (AC) found that 65 percent of the nation's polling stations featured shaved registries.

In the midst of the regime's crisis of delegitimacy, the Zapatistas of Chiapas convened a National Democratic Convention in the Lacandon forest, to which it invited all sectors of "civil society," including all political parties except PRI, "the common enemy to us all." The convention, modeled on the 1914 revolutionary convention summoned by Zapata and Villa, reflected the Zapatista decision to broaden the scope of their movement—to develop electoral activity as an adjunct to armed struggle, leading to the drafting of a new constitution.

Consequently, Zedillo faced a sea of troubles. In Chiapas the military standoff continued, but there was widespread and growing disorder. Meanwhile, indigenous and mestizo farmers established four autonomous zones in different regions of Chiapas. They blocked roads, refused to pay taxes and electricity bills to federal and state authorities, and ejected local PRI officials. The Zapatista leadership proclaimed these areas "zones of rebellion." A wave of land takeovers continued, producing the unfamiliar spectacle of over one hundred wealthy landowners staging a hunger strike in Mexico City to call attention to their plight. Zedillo was forced to choose between coming to terms with the rebels or crushing them with armed force. From the PRI's point of view, both options could have had dangerous consequences.

Mexican public opinion, as expressed in polls and demonstrations, favored a peaceful solution that took into account the just grievances of the Chiapas peasants. But PRI hardliners and foreign investors demanded a military solution of the problem. A January 1995 memorandum, written by Chase Manhattan Bank advisor Riordan Roett and leaked to an investigative newsletter, warned

that “the government will need to eliminate the Zapatistas to demonstrate [to the investment community] their effective control of the national territory and of security policy.” In addition to calling for the Zapatistas’ liquidation, the memo warned the Zedillo administration “to consider carefully whether or not to allow opposition victories if fairly won at the ballot box,” because “a failure to retain PRI controls runs the risk of splitting the government party.”

Facing these rival pressures, Zedillo initially sought compromise. But on February 9, 1995, on the pretext that Zapatista arms caches had been found in Mexico City and Veracruz, Zedillo sent thousands of troops, backed by tanks and heavy artillery, into the rebel-held territory, with orders to arrest the Zapatista leadership. The rebels, along with thousands of their supporters, fled into the jungle area near the Guatemalan border. The government’s action provoked angry protests, including a march of almost a hundred thousand people in Mexico City that forced Zedillo to halt the military operation. A decade of neoliberal policies that depended on the PRI’s monopoly of power effectively had mobilized a popular insurrection that delegitimized Mexico’s authoritarian state. This forced a new democratic opening that required Mexico’s neoliberal allies to reduce their dependence on the PRI and traditional authoritarian practices. In the process, like their counterparts in Argentina, Brazil, and Perú, they developed novel electoral strategies to prolong their political power.

## Foreign Intervention and Subversion of Democracy in Nicaragua

Foreign intervention had always played a large role in neoliberalism’s development in Brazil, Chile, Argentina, and Mexico, but it was the defining characteristic of Nicaragua’s transition in 1990. Here, international economic forces and U.S. foreign policy decisively shaped the social, economic, and political conditions within which Nicaragua’s democratic presidential elections occurred. In the

process, they subverted the sovereign will of the Nicaraguan people.

### “LOW-INTENSITY” CONFLICT AND DEMOCRATIC DESTABILIZATION

Ironically, by the end of 1986, external opposition to the Sandinista revolution had begun to fragment. The U.S. congressional elections had handed a heavy defeat to President Reagan. His administration suffered another blow due to the revelation that proceeds of an arms sale to Iran, in a supposed swap for U.S. hostages in Lebanon, had been illegally diverted to the *contras* through the use of secret Swiss bank accounts. The scandal—with new revelations of CIA involvement in drug smuggling—increased opposition to the additional contra aid that President Reagan requested. By the end of the Reagan presidency, Congress had rejected an administration request for military aid and voted to limit funding to so-called humanitarian aid.

The Iran-contra scandal and its repercussions created a favorable atmosphere for new peace negotiations. Eager to end the contra war that was sapping its popularity, Nicaragua’s revolutionary government soon scheduled new elections as part of a regional peace agreement negotiated in 1987 by all five Central American presidents. Significantly, the agreement barred foreign intervention, provided for release of political prisoners, and called for honest democratic elections in all countries.

In the 1990 elections, the FSLN, which had governed the nation since the 1979 overthrow of dictator Anastasio Somoza Debayle, faced a united political opposition, largely financed and organized by the United States. The National Opposition Union (UNO) was an unlikely coalition of fourteen small parties, ranging from former Somocistas to the Communist Party (PC de N). Although the overwhelming majority of foreign observers found that the elections were free and fair, some noted astutely that they took place “within a climate of U.S.-generated military and economic pressure.” For example, on election eve, largely due to the decade-long U.S.-sponsored contra war,

the national economy teetered on the verge of collapse. Purchasing power had declined 90 percent since 1980, and per capita GDP had fallen almost 20 percent since 1988. Basic food shortages were epidemic, and inflation raged at over 5,000 percent. Foreign debt service payments consumed 62 percent of export income, and unemployment had reached a postrevolution high. Confronted with this desperate state of affairs, the Sandinista government reluctantly acceded to a modest program of "structural adjustment," or *compactación*, which meant still more pain for Nicaragua's impoverished majority. As if the deck were not sufficiently stacked against the FSLN, the Bush administration also illegally intervened directly in the election, plowing millions of dollars into the campaign of the UNO presidential candidate Violeta Chamorro, who triumphed with 55 percent of the vote.

What factors caused the UNO victory? Most observers agreed that the election results did not represent a popular repudiation of the Sandinista program of social reforms. There was general agreement that the key factors in the Sandinista defeat were the contra war and the disastrous state of the economy. In a country of fewer than 4 million people, the war had left sixty thousand dead, twenty-eight thousand wounded, and thousands of others kidnapped. For years, the war had forced the Sandinistas to divert scarce resources from popular social programs to finance military needs; in fact, by 1990 the war had consumed more than half the national budget. UNO campaign literature had concentrated on the public's war-weariness and opposition to the military draft, omitting mention that the contra war was the cause of the draft. UNO also neglected to mention that the Reagan administration, in flagrant violation of international and congressional laws, had almost singlehandedly financed the contra war for a decade. UNO campaign rhetoric also blamed the Sandinista government alone for the economic crisis.

Washington's strategy of bringing Nicaragua to its knees by a combination of economic blockade and low-intensity warfare had finally achieved its goal. But the initial aftermath of the election produced new surprises. In a stinging defeat for U.S.

foreign policy, Chamorro announced that General Humberto Ortega, chief of the Sandinista army and brother of the outgoing president, would remain. Moreover, Chamorro loyalists next joined FSLN deputies in electing a slate of National Assembly officers that included two Sandinista deputies. Chamorro's temporary alliance with the FSLN was sealed by her appointment of three Sandinistas to cabinet positions, including the strategic position of agrarian reform. "In a strange twist of events," commented *Latinamerica Press*, the "coalition that Chamorro led to victory in 1990 has switched places with the Sandinistas and now considers itself the opposition." Chamorro's moderation also irritated Bush administration officials, who warned that \$300 million in U.S. aid would be endangered if she made appointments that did not meet with Washington's approval.

The Chamorro government quickly reviewed its policies and began to implement a harsh neoliberal economic austerity program, including periodic devaluations that weakened the earning power of workers, termination of subsidized prices for staple products, and massive layoffs of government workers. Chamorro also sought to dismantle the agrarian reform and other social conquests of the 1979 Sandinista revolution. Although designed to achieve "stabilization," this policy produced political and social conflicts that threatened civil war. Promising to "rule from below," the Sandinistas vowed to continue their resistance inside and outside the halls of government.

The first major confrontation between Chamorro's neoliberal government and Sandinista unions ended in victory for the latter. A ten-day general strike was settled on July 10, 1990, on terms very favorable to the strikers. These included wage increases, major political concessions like union consultation on economic policies, protection of government workers against large-scale layoffs, and a moratorium on the reversal of Sandinista agrarian reforms. The agreement proved to be only a truce in a continuing struggle between the Chamorro government, which sought to dismantle most of the Sandinista reforms, and the unions, which sought to preserve their social and

economic gains. But it gave the government a breathing space at least to seek relief from its desperate economic crisis through foreign loans and U.S. aid. Chamorro officials admitted that they needed “the Sandinistas to keep the country from exploding.”

Sandinista supporters of this temporary alliance could point to other victories as well as some defeats. If the Sandinistas could not prevent the return of many large properties to their former owners, with Chamorro’s support they succeeded in defeating UNO’s plan to totally undo the Sandinista agrarian reform. If they could not prevent the privatization of almost all the state enterprises, they succeeded in including a provision for the workers’ right to own 25 percent of the privatized firms and in some cases acquire total ownership of such firms.

Meanwhile the Chamorro government had expected Washington and the international financial community to reward its free-market policies of austerity and privatization with the aid and loans it needed to rebuild a shattered economy. But U.S. aid was slow in coming and limited in amount, largely due to the opposition of Republican Senator Jesse Helms, who contended that the Sandinistas were still in power. Combined foreign aid and loans were clearly insufficient. During its first two years, the Chamorro government received about \$715 million in donations and about \$997 million in new loans, but in the same period it paid over \$1.2

billion to service its foreign debt of more than \$11 billion and another \$456 million for oil imports.

By the 1990s it seemed that neoliberalism offered no permanent solution to the developmental crisis that afflicted Latin America. Moreover, its dependence on U.S. government intervention and local authoritarian regimes threatened to poison popular enthusiasm for its policies. Increasingly, neoliberal proponents joined with popular opponents of dictatorship to demand the restoration or expansion of democratic electoral institutions. But neoliberals, noting the unpopularity of the neoliberal prescription, often sought to insulate economic policy from popular political debate. They also advocated institutional limits on democratic participation and routinely engaged in an electoral populism that postelection neoliberal policies often contradicted.



**Go online for additional resources:**

- Primary sources
- ACE self-test quiz
- Chapter summary
- Flashcards
- Suggested readings

# Transcending Neoliberalism: Electoral Engaños and Popular Resistance to the Dictatorship of Markets

## FOCUS QUESTIONS

- What were the electoral campaign promises of Collor and Cardoso in Brazil, and how did they contrast with the government policies that each implemented?
- How did Carlos Menem's presidential campaign and subsequent government policies in Argentina compare or contrast to those of his contemporaries in Brazil?
- How were the presidential campaigns and government policies pursued by Alberto Fujimori similar to or different from Menem's and Cardoso's?
- How did the long, brutal military dictatorship of August Pinochet limit the democratic process in Chile after 1990?
- How did electoral fraud in Mexico sustain neoliberal policies?
- What role did electoral deception play in shaping the neoliberal experience in Bolivia and Ecuador?
- How did Cuba handle the economic crisis of the 1990s, and how did this affect the Cuban people?
- What was the "Pink Tide" and how did it reflect the reactions of popular social movements to these electoral "engaños" and the neoliberal policies that they made possible?

**B**Y THE LAST DECADE of the twentieth century, popular political mobilization against dictatorship and other forms of authoritarianism had effectively eroded the power of these institutions in Latin America, establishing the foundation for the fuller development of formal democratic political systems. Very early in this process, however, politicians who benefited from and supported neoliberalism understood that success under the new political rules

required them to disguise their practical policy prescriptions in the ambiguous language of electoral populism. Throughout the region, neoliberal candidates packaged their wine in populist bottles, but these electoral deceptions, so successful in the short term, had long-term negative consequences that were predicted two centuries earlier by a sharp North American critic of popular democracy: Gouverneur Morris. Equating democracy with "mob rule," the aristocratic Morris had argued that in a

democracy “wealthy people” could only preserve their power through deception, but he feared that with each election they might “deceive the people and again forfeit a share of their confidence. And if these are instances of what with one side is policy, with the other perfidy, farewell aristocracy.” In effect, Morris was acknowledging that in a democracy the power of numbers had the potential to constrain the power of property.

As Morris anticipated, neoliberalism’s initial electoral successes depended greatly on false promises, producing contradictory policies that deepened external dependency and widened the enormous chasm of social inequality. Predictably, new popular social movements soon arose to challenge these neoliberal policies and to insist that the nation-state had a central role to play in regulating market forces to guarantee growth and development. Among the models of national development that influenced them was the Cuban experience. While neoliberal policies ravaged other Latin American societies during the 1990s, Cuba suffered its own peculiar crisis, losing virtually overnight all of its major trading partners. Nonetheless, Cuba’s revolutionary state system, modified to allow a greater role for private markets and foreign investment, retained its regulatory responsibilities. By the decade’s end, Cuban leaders proudly trumpeted their achievements; whereas hunger, homelessness, illiteracy, inequality, and lack of medical care were pervasive throughout the region, they remained relatively rare in Cuba.

Even as they dissented from many Cuban policies, leaders recently elected in what many observers called Latin America’s “Pink Tide” acknowledged their respect for Cuba’s social and economic achievements. Like Cuba, these democratically elected governments in Venezuela, Brazil, Argentina, Uruguay, Chile, Bolivia, Ecuador, and Nicaragua all opposed neoliberalism and advocated national development through regional integration and state regulation of market forces. Interestingly, many of the progressive politicians swept into power by this “Pink Tide” had spent their youth protesting military dictatorship only to face the dictatorship of markets in their adulthood.

## Electoral Deception in Brazil

Brazil’s experience with electoral populism and neoliberal governance developed early in the transition from dictatorship to formal democracy. The startling results of 1988 municipal elections and, a few months later, a general strike that mobilized 20 million workers, sounded an alarm bell to Brazil’s elites and their political managers, who were preparing for the first popular presidential election in nearly thirty years. The new democratic environment required proponents of neoliberalism to present a populist, charismatic presidential candidate who could convince the Brazilian people to swallow the ill-tasting free-market prescription of austerity and privatization.

### NEOLIBERAL WINE IN POPULIST ELECTORAL BOTTLES, 1990–2002

Fernando Collor de Mello, a dapper sportsman and athlete from a wealthy family, was such a candidate. Sharply critical of official state corruption and inefficiency, his campaign focused on promises to reduce the bloated bureaucracy, attract foreign capital, and institute a free-market economy. Although he combined populist initiatives with policies that reflected his hard-line free-market principles, the basic thrust of Collor’s program conformed to the most traditional IMF recipes for economic solvency. Reduction of government spending and services, a halt to wage indexation (adjustment of wages to changing price levels), an end to collective bargaining except on the firm level, and wholesale privatization of state enterprises became the order of the day. A freeze of savings and banking deposits, designed to check inflation, helped produce the desired effect but had major recessive results; by 1990 industrial production had plummeted 25 percent, and layoffs nationwide were well over 300,000. Caught between the scissors of declining sales and interest rates of 6 percent a month, many companies filed for bankruptcy; almost a million workers were unemployed.

Meanwhile, Brazil’s land problem remained without solution. Amazonia continued to be the

scene of violent clashes between great landowners who frequently acquired their land illegally and small farmers whose tiny plots would not support their families. Peasants who resisted usurpation and exploitation faced threats, harassment, and murder. Rent-a-killer agencies (*agências de pistola-gem*) operated in many areas; they offered a sliding scale ranging from \$600 for a peasant to \$4,000 for an elected official. In southern Pará state, 172 rural activists were killed. A judge in Rio Maria (Pará state) expressed surprise about the excitement caused by such killings: "They were only peasants," he said. The Collor government did little to protect peasant leaders or punish their assassins. Responding to the devastating effects of the Collor program on wages, employment, and living standards, many unions went on strike and in some cases wrung concessions from employers and government. In the face of declining popularity, reflected in growing congressional and judicial resistance to his decrees, Collor's administration suddenly collapsed amid accusations of personal corruption on a large scale. Congressional investigations established that Collor and his associates had accumulated at least \$32 million in public funds and payoffs, but that amount was considered only a fraction of the total involved. After months of investigations, revelations, and legal maneuvering, Collor, who had campaigned on an anticorruption platform, resigned just before Congress would have voted to subject him to an impeachment trial.

#### **ELECTORAL ENGAÑOS AND POPULAR PROTEST**

Following Collor's resignation, his vice president, Itamar Franco, who originally had opposed Collor's neoliberal market reforms, including the privatization of state companies, announced that he would continue Collor's privatization program and honor Brazil's debt commitments. However, claiming that the income of Brazil's poorest citizens had fallen 30 percent as a result of Collor's "false modernization program," Franco assigned priority to a campaign against hunger and poverty. Governing elites seemingly understood clearly that the

unadulterated neoliberal reforms so enthusiastically championed by the IMF, foreign investors, and Brazil's bourgeoisie were widely unpopular with the lower classes and therefore impossible to realize within the context of democracy, however carefully circumscribed.

This realization shaped a new debate between two groups within Franco's coalition cabinet. One advocated social reform and argued that growth to relieve hunger and poverty should be a priority in a country where millions of destitute people constituted a ticking "social time bomb." The other advocated neoliberal economic reform and prioritized the need to achieve fiscal stability through reduced government spending, the sale of state companies, and improved tax collection. The conflict between the cabinet's "social sector" and its "economic sector" sometimes made it difficult to know in which direction the government was moving, but in general the neoliberal tendency had the better of it. To head his economic reform team, Franco appointed the prominent sociologist Fernando Henrique Cardoso, whose program centered on deficit reduction; budget cuts; tax reform; privatization of state companies in such sensitive areas as oil, mining, and telecommunications; and promotion of foreign investment.

But Cardoso's program encountered strong resistance from progressives who opposed the austerity and privatization plans and from state governments dismayed by demands that they pay their large debts to the federal government. It quickly became the focus of political debate in the 1994 elections, the most sweeping in Brazilian history, with the president, two-thirds of the Senate, the Chamber of Deputies, the governors of all twenty-seven states, and deputies in the state assemblies all coming up for election. For the first time in Brazil's history, voters had the opportunity to choose between a neoliberal profit-driven model of economic growth, based on exports and foreign investment, and a more statist, autonomous model of development, oriented toward the solution of the country's great social problems. Workers' Party leader Lula da Silva, himself an automobile worker and trade unionist who had opposed the military

dictatorship, championed the latter and campaigned tirelessly throughout the country, repeating his pledge to implement agrarian reform, fight unemployment, increase agricultural production, and improve health and education.

But Lula's chief rival was Cardoso, a distinguished academic who even described himself as representing the "viable left" (in contrast to Lula's "utopian left"). This reflected the increasingly leftward leanings of the Brazilian electorate. Cardoso's trump card was a new economic stabilization plan, the "Real Plan" (*Plano Real*). Under this tight-money plan, the monthly inflation rate fell from 50 percent in June to 6.1 percent in July 1994. Cardoso counted on the support of workers, whose salaries had been readjusted every two months but quickly lost their value as a result of uncontrollable price increases. Cardoso's plan, combined with populist promises of sweeping social reform and the oligarchy's fear of a socialist victory, produced a decisive win for Cardoso.

Cardoso faced staggering problems when he took office in 1995. True, the Brazilian economy grew strongly, with exports for the first five months of the year reaching \$15.5 billion, an all-time record. But these exports consisted mainly of raw materials like soy products, coffee beans, iron ore, and some manufactured goods like footwear and auto parts that were extremely vulnerable to fluctuations in market demand. Moreover, the growth of these exports, produced mostly by highly mechanized agribusinesses and plants, had little or no multiplier effect. This was reflected in continuing high unemployment and rapid growth of the "informal sector," believed to range between 30 and 60 percent of the economically active population. Cardoso's program of a balanced budget and the Real Plan tamed the monster of inflation, but other economic and social problems still loomed large.

Revealing once again Brazil's extraordinary vulnerability to global economic changes, the Asian financial crisis in the fall of 1997 panicked the Brazilian stock market and unleashed a speculative assault on its currency, the *real*. To defend the *real* against devaluation and still attract the foreign capital that financed the nation's fiscal deficit,

Cardoso doubled interest rates to 40 percent and announced an austerity package of spending cuts and tax increases designed to save \$17.7 billion, or 2.5 percent of GDP. Although Cardoso, facing reelection in the fall of 1998, sought to immunize social spending from these draconian budget cuts, they plunged Brazil into a severe recession. Industrial production and unemployment rates continued to climb; in São Paulo, the country's industrial heartland, even official estimates of unemployment rose to 17 percent in 1997.

Another major social problem was the grossly inequitable distribution of land. Less than 3 percent of the population owned almost 60 percent of Brazil's arable land, 62 percent of which lay uncultivated and unoccupied. Meanwhile, 5 million rural families were landless and lacked the means to earn an income with which to purchase their survival. Although Cardoso acknowledged that "we need agrarian reform," his government was slow to enforce a 1993 law permitting the government to expropriate (with adequate compensation) lands that were 75 percent idle. Consequently, under the auspices of the Catholic Church, some 42,000 landless families joined together to form the Landless People's Movement (MST), which organized a campaign of direct action to invade uncultivated lands. The MST soon established "squatter" communities that gave more than 140,000 families access to land and pressured the Cardoso government to promise land to an additional 280,000 families.

But these popular victories often came with a heavy price. Policemen and hired thugs often engaged with impunity in the wholesale slaughter of squatters, once in full view of television cameras. Despite international protests, however, no one was ever arrested, much less tried and convicted. For his part, although he deplored the violence, President Cardoso also chastised the MST as a "threat to democracy," thereby revealing the extraordinary shadow that historical memories of military dictatorship still cast over Brazil's "free institutions." Lest Cardoso's subtle allusion was lost, the local president of a landowners' organization was characteristically more blunt: if the government failed

to curb the MST's activities, he boldly announced, "we could have a repeat of the coup d'état."

Widespread poverty was yet another problem that neoliberal policies failed to relieve. According to government figures, the number of people living in poverty increased steadily from 50.9 million in 1979 to 64.7 million in 1989 and jumped 10 percent in 1990 to 69.8 million, almost half the entire population. Moreover, 32 million people, 21 percent of all Brazilians, lived in extreme poverty. Although poverty fell from 42 percent in 1993 to 34 percent in 1995, largely due to the Real Plan's elimination of inflation, it remained disturbingly high at 34 percent despite steady economic growth over the next seven years.

Sixty percent of this indigent population lived in the Northeast, racked by recurrent droughts that wiped out crops and jobs and produced a water shortage that threatened the area with a large-scale spread of cholera. Anthropologist Nancy Scheper-Hughes noted that throughout the 1980s, diseases like typhoid, tuberculosis, leprosy, and bubonic plague, once thought to be under control, resurfaced in Brazil, especially in the Northeast. Calling them diseases of "disorderly development," she traced their roots to the "social relations that produce rural to urban migration, unemployment, *favelas* [shantytowns], illiteracy, and malnutrition." She described an area that was still "in a transitional stage of state formation that contained many traditional and semifeudal structures, including its legacy of local political bosses (coroneis) spawned by an agrarian latifundista class of powerful plantation estate masters and their many dependents." And she quoted the words of a woman factory worker who was disillusioned with civilian and military governments: "We need a government that will take care of the people, but I have begun to think that this doesn't exist; that it is another *engano* [deceit]."

The Northeast and the Amazon provided the most extreme illustrations of the "disorderly development" that characterized contemporary Brazil, but the crisis pervaded every part of the country. Urban women, forced to shoulder increasing burdens in the waged workplace, were most dramati-

cally affected. They worked for low wages, even as their unpaid familial responsibilities in the home grew proportionately with the decline of public services in health care, education, and childcare. This crisis actually sharpened under the civilian, democratically elected regimes in power since 1985, regimes that embraced even more ardently than the discredited military rulers their neoliberal economic policies and their model of dependent capitalist development. Official figures told the story of an increasing income gap between the rich and poor. According to Brazil's 1991 census, the poorest 10 percent of the population had less than 1 percent of the nation's wealth. The richest 10 percent, on the other hand, held 49 percent of the nation's wealth.

#### POPULAR RESISTANCE AND STATE-SPONSORED DEVELOPMENT, 2002–2008

But this "disorderly development" could have created still more problems without the determined opposition of diverse nationalist groups, including trade unions like the Central Federation of Workers, environmental clubs, and social protest organizations like the Landless People's Movement—all of whom defended popular interests against the worst excesses of neoliberalism. Senator Benedita da Silva, the nation's first elected *favelada* (slum dweller) and most prominent Afro-Brazilian woman activist, proudly claimed that "Brazil is perhaps the country in Latin America that has most resisted the neoliberal model, and our unions are on the forefront of this resistance."

Although politically divided, this social opposition nonetheless influenced the contours of Brazilian political debate. Even Cardoso, defending his progressive, nationalist credentials, sought to identify his policies with these popular interests, insisting that his privatization of government services never sought to eliminate the role of the state in Brazil's national development but merely to transform its function from a "producer state" to a "regulatory state." State social programs, he conceded, "are necessary because we cannot expect the market to solve the problem of poverty."

This blend of neoliberal, market-centered policies and state-supported social services made Cardoso an elusive target for his political enemies, enabling him to win reelection in fall 1998 with slightly more than 50 percent of the votes.

For almost a decade, Cardoso worked to integrate the nation's economy into the global marketplace, adopting neoliberal reforms endorsed by the IMF, and relying on a steady expansion of exports, foreign investment, privatization, and overseas loans to finance modest social programs. This produced economic growth that averaged 2 percent since 1997, but it increased Brazil's external dependence. Debt service as a share of export income rose steadily from 26 percent in 1993 to an improbable 122 percent in 1999. More distressingly, however, income inequality remained the highest in Latin America, and poverty likewise stayed stubbornly high. This record ordinarily would not be expected to win considerable public support, but Cardoso's populist rhetoric and a divided political opposition ensured repeated electoral success.

However, Cardoso was unable to pass his good fortune to his successor. By 2002 the collapse of neighboring Argentina's economy, growing uncertainties in U.S. money markets, and a generalized global market contraction reduced foreign investment and external demand for Brazilian exports. With a stalled economy and few state resources left to sell, Brazil could not pay its oppressive \$245 billion public debt, stimulate renewed growth, and still satisfy popular demands for greater equality. In the 2002 presidential elections, the Brazilian people offered their authoritative answer and overwhelmingly elected veteran presidential candidate and leader of the progressive Workers' Party, Lula da Silva, who promised to "break with the current economic model" and "suspend or reevaluate the privatization program." Presenting himself as a more mature, sophisticated candidate, Lula nonetheless criticized existing agreements and promised to "negotiate new ones with an eye to protecting national interests and without accepting impositions."

During the course of his presidential term, Lula pledged to "create the conditions so that all the people in our country can eat decently three times a day, every day, without needing donations from

anyone." Poverty and income inequality, which had worsened during the nation's neoliberal experience, were a special target of presidential action. Lula insisted that "Brazil can no longer continue to live with such inequality. We need to overcome hunger, misery, and social exclusion." To that end, his government established the Bolsa Familia and Fome Zero, state-funded social programs designed to reduce poverty and eliminate hunger. By 2006, on the condition that their children regularly attend school and receive appropriate professional medical care, some 11 million families earned state subsidies under Bolsa Familia that, for Brazil's poorest families, doubled their annual incomes.

Development for the great majority of Brazilians was the goal, but steady economic growth, averaging 5 percent per year, and reduction of foreign dependency were the primary means to achieve it. During his first term, despite heavy criticism from traditional political allies, Lula's government pursued budgetary austerity, price stability, and an aggressive export strategy designed to accumulate significant foreign exchange reserves, which climbed to \$180 billion by 2008. The State then used these funds to pay off its foreign debt to the IMF, liberating the country from financial constraints imposed during the neoliberal era. Shortly after he won reelection in 2006 with 60 percent of the popular vote, Lula proudly announced the expansion of both social welfare programs and infrastructure investments in transportation, energy, housing, and sanitation that created some 4 million new jobs. His Accelerated Growth Plan (PAC), supervised by chief of staff Dilma Rousseff, a former urban guerrilla in the 1970s and a leading contender for the 2010 presidential elections, anticipated a \$290 billion investment in various projects designed to develop the impoverished rural interior and urban shantytowns.

Lula's progressive nationalist government also understood that socioeconomic inequality was an enduring obstacle to the nation's development, so it sought to confront Brazil's unspoken history of racial discrimination. Although 46 percent of the nation's 187 million people were black, they historically had been underrepresented in government, education, and business. Under pressure

from social movement organizations like the Coalition of Black Brazilian Women to remedy this sad state of affairs, Lula supported affirmative action policies in higher education and government employment. He also signed the Maria da Penha Law, which provided women protection from domestic violence, and created two Special Secretariats, one on Policy for Women and the other on the Promotion of Policies for Racial Equality.

After years of blindly submitting to the will of unregulated markets, Brazil's future remained unclear, but one conclusion was inescapable: the popular political mobilization that ultimately brought Lula to the presidency had charted a very different course of development in the hemisphere's largest nation.

## Electoral Deception in Argentina

Like Brazil in the 1960s and 1970s, Argentina's military dictators had implemented a neoliberal agenda that greatly benefited foreign investors and wealthy, politically well-connected, local elites, but it had alienated a broad cross section of Argentine society by its failure to produce sustained popular well-being. The economic crisis during the 1980s and a disastrous war against Britain over the Malvinas Islands led military officials to accept a democratically elected civilian government that nonetheless remained subordinate to, and fearful of, them.

### MENEM'S REVERSAL OF FORTUNE, 1990–2000

Against a background of economic collapse, the Peronist candidate, Carlos Saúl Menem, campaigned against neoliberal liquidation of the national patrimony. His followers, including the powerful Peronist-controlled unions, naturally expected him to repudiate the policies that had led to an unprecedented economic and social crisis. What followed was a stunning surprise. Convinced that an even more powerful dose of those policies offered the only solution for the crisis, Menem, who professed his admiration for Ronald Reagan, Margaret Thatcher, and Augusto Pinochet, abandoned his party's traditional economic

and political positions in favor of a thoroughgoing neoliberal program.

Contrary to all expectations, Menem included in his cabinet many representatives of big business like the great firm of Bunge and Born, representing one of the most powerful multinational groups, with links to the agricultural oligarchy that Peronists had traditionally distrusted. He also announced a program to privatize state-owned companies, dismiss thousands of state employees, and cut billions in government social spending over the next year. The program deepened and expanded the failed policies of the brutal military governments between 1976 and 1983.

The process of privatization was carried out with frenzied haste and clearly favored large economic groups. Typical of the process was the "fire-sale" aspect of the privatization of two profitable state firms: Entel (the telephone company) and Aerolíneas Argentinas (the national airline). The *Wall Street Journal* commented that these two privatizations "more resemble corporate raids than stockholders' sales. Both Aerolíneas Argentinas and Entel are being sold for a fraction of their net worth." In July 1993 bidding began for the jewel of the state properties, the state oil company, Yacimientos Petrolíferos Fiscales, a profitable company with assets calculated at \$7.4 billion and projected revenues of \$5 billion. Among Latin America's oil producers, Argentina alone sold off its oil state monopoly, usually regarded as a "strategic" asset.

Menem's "shock therapy" on his way to the goal of a free-market economy provoked resistance. The Peronist trade union movement, once his ardent supporter, split into pro- and anti-Menem wings, followed by a series of strikes to which Menem responded by firing strike leaders and seeking to curtail the right to strike by law or decree. The generally ineffective resistance of the once powerful labor movement to Menem's policies reflected a number of factors: the decline in size of the blue-collar labor force; the increase in the number of unemployed and underemployed, creating a substantial reserve labor force that weakened militancy; labor's traditional loyalty to the Peronist party; and the opportunism and greed of Peronist labor bosses, who were accustomed to

live off state money and collaborate with the party, whatever its policies.

To combat inflation, Menem's finance minister, Domingo Cavallo, unveiled the "ultimate anti-inflation shock," a plan that made the Argentine currency convertible in relation to the dollar and forbade the Central Bank from printing any money that was not backed by gold or foreign currency. To ensure wage and price stabilization Cavallo pledged government budget cuts of \$6 billion, largely at the expense of public sector jobs. The policy entailed extensive budget cuts in health, education, welfare, and pensions. From the government's point of view, the Cavallo plan was a great success. Prices plummeted, the stock market exploded, and the Buenos Aires financial district hailed the start of the "Argentine miracle." The United States and the IMF rewarded Menem's fiscal orthodoxy by approving a Brady Plan that refinanced \$21 billion of Argentina's foreign debt over thirty-five years.

This latest round of neoliberal orthodoxy deepened national income inequality, especially damaging women workers. During the next few years, unemployment soared from 13.1 percent in 1993 to 17.4 percent in 1995; the share of households that fell below the poverty line similarly increased from 13 percent in 1993 to 20 percent in 1996. During Menem's administration, women were forced to compensate for the decline in family income caused by higher male unemployment and falling real wages by entering the job market at much lower wage levels than men. In 1992, 45.9 percent of women were employed in waged work, but only three years later, almost 52 percent worked for wages. Even as more women were forced to enter the job market, however, unemployment among women grew, from 6.3 percent in 1992 to more than 20 percent in 1995.

These neoliberal policies had a significant impact on family relations. The number of families with a primary male breadwinner declined steadily from 73 percent in 1980 to 65 percent in 1994, with these trends intensifying between 1992 and 1994, when the number of families with primary female breadwinners increased by 62 percent. The

resulting double burden on women both within the household and in the public sector undermined the traditional family; divorce rates rose markedly, and since 1980, the number of single-mother households increased by 93 percent and the number of nontraditional families tripled between 1992 and 1994. What's more, under the relentless pressure of global market forces, the working conditions of wage-earning women deteriorated. Sociologist Rosa Geldstein concludes that, under the neoliberal regime, women suffered greater gender discrimination in the workplace and were required to work faster, with shorter and less frequent breaks, longer and less flexible hours, for lower wages.

Another legacy of Menem's neoliberalism was the appearance of a class of "new poor," including many members of Argentina's once substantial middle class. It was estimated that nearly 30 percent of Argentina's population over age sixty fell into this category. An agricultural crisis, itself the result of low international prices, declining local markets, and the high cost of credit, contributed to this state of affairs. Moreover, the removal of tariff protections, which caused a flood of cheap textiles and other imports, forced many small businesses to close. Last, there were savage budget cuts for education and other social welfare programs. This prompted Argentine social scientist Atilio Borón to disparage democracy that "has no obligation to the poor and weak and has no concern for their fate, a democracy that manipulates injustice to protect the powerful and its favorites while it imposes the law of the jungle on the shantytowns." More to the point, he wondered, "Can a democracy of this kind consolidate itself through successive endorsements at the polls?"

#### **"DEMOCRACY OR DICTATORSHIP OF THE MARKET," 2000–2008**

With the utter collapse of the economy in 1999, however, growing popular discontent removed all doubt about this possibility. If poverty and social inequality grew ominously even during Argentina's "miraculous" growth in the early 1990s, they skyrocketed thereafter when Menem's economic

house of cards, battered by low export prices, high debt, and the flight of foreign investment, came crashing down. Between 1999 and 2002 the economy shrank 3 percent per year, unemployment increased from 15 to 25 percent, and Argentina's capital account fell from a surplus of \$16.8 billion to a deficit of \$4.1 billion. Poverty, which rose during Argentina's prosperous years from 7 percent in 1987 to 19 percent in 1996, swelled to half the population in 2002. It was not uncommon to see families scouring garbage piles, competing with flies and maggots in their search for scraps of food to eat. One such man, cooking a small pot of fetid potatoes retrieved from a local dumpster, reflected simultaneously the anger and resiliency of a proud people victimized by foreign bankers and Argentina's elite: "Tell Mr. Bush we still want to pay back the debt, but give us more time," he laughed derisively.

Indeed, as the new millennium opened, Argentina found itself mired in a virtually unpayable foreign debt that, since 1990, had grown steadily to \$155 billion. To service this debt between 1990 and 1996, Argentina had paid foreign bankers \$3 of every \$10 that it earned in export sales, but thereafter this rose precipitously to an average of \$6. Nonetheless, to be eligible for low-interest loans that might have prevented national bankruptcy, the IMF insisted that the national government ignore the urgent cry of its own citizens and implement a domestic austerity program that balanced its budget on the backs of the Argentine people. Not surprisingly, "capitalism in Argentina," according to an investment banker at Salomon Smith Barney, "has become a dirty word; profit has become a dirty word." Another banker put the issue much more starkly: "We're somewhat less popular than serial killers."

Soon this simmering contempt for the inequities produced by unregulated markets boiled over in open revolt, as unemployed *piqueteros* (picketers) blockaded roads and middle-class youth burned cars, smashed windows, and looted stores. This popular wrath also ignited a political tempest that led to the resignations of President Fernando de la Rúa, only recently elected in 1999 on a pop-

ulist platform, and Alejandro Rodríguez Saa, his interim successor. To combat the economic mess bequeathed by Menem and generate the revenues necessary to appease the foreign bankers, de la Rúa had deserted his own constituents and slashed pension benefits, cut state workers' wages 13 percent, reduced public expenditures 20 percent, and raised taxes. This apparent surrender to wealthy foreign interests again reinforced a growing popular disdain for politicians and the political process. In the 2001 elections, 40 percent of voters registered their protest by casting blank or defaced ballots. At weekly demonstrations throughout the nation, protesters ritualistically abused politicians, sometimes physically, chanting, "*Que se vayan todos!*" ("Throw the bums out!").

By early 2002, Eduardo Duhalde, a Peronist and frequent critic of Argentina's decade-long neoliberal experiment, assumed the presidency with a popular mandate to defy the foreign bankers and rescue the nation from this devastating crisis. He immediately defaulted on the external debt; abandoned the dollar as Argentina's monetary standard; and devalued the peso to make Argentine exports more affordable, raise the cost of imports, and create more jobs. He regulated the largely foreign-owned utilities industries to lower electricity, gas, and telephone rates; imposed new energy taxes that mostly affected foreign companies; developed contingency plans for price controls; continued to limit the amounts that bank depositors could withdraw; regulated currency convertibility; expanded an emergency relief program that paid \$42 per month to over a million families; and allowed Argentines to use devalued pesos to repay credit card debt at par. Although foreign bankers expressed skepticism about these reforms, workers, farmers, and small-business owners clearly approved. In 2003 they elected as president Néstor Kirchner, Duhalde's populist political ally, who pledged not to be "a prisoner of the big corporations."

Following through on that electoral promise, Kirchner's government devalued the Argentine peso, expanded Argentine exports, and forced private utilities companies to renegotiate their contracts. He also confronted the IMF, whose demands

for austerity budgets had discredited his elected predecessors, and renegotiated the nation's foreign debt, reducing its value by 30 percent. In 2005 he used the nation's accumulated savings to liquidate IMF debt and thereafter announced temporary price controls that would become permanent if inflation persisted. "We are once again giving the state the neurons that have been taken away from it," he triumphantly announced to Congress. With successive years of 9 percent economic growth and a dramatic reduction of poverty from 57 percent to 40 percent, it was hard to argue with his success. Moreover, Argentines rewarded his policies with a landslide victory in the 2005 congressional elections, in which Kirchner's allies won 54 percent of the contested seats. Polls showed that the president himself consistently enjoyed popular approval ratings around 75 percent.

This personal popularity greatly assisted his wife, Cristina Fernández de Kirchner, who won the presidency in 2007, becoming the second woman head of state in Latin America. Long a prominent lawyer and senator, Fernández, who had fought against the military dictatorship thirty years earlier, had campaigned on a nationalist platform that called for state regulation of private markets. She proposed expansion of Mercosur to include Hugo Chávez's Venezuela, greater regional collaboration with Brazil and Bolivia in the production and distribution of energy resources, and substantial investment in basic infrastructure like schools, transportation, and health care to reduce poverty and eliminate illiteracy. Additionally, she moved aggressively to limit increases in public utilities charges, prohibited foreign oil companies from exporting Argentine oil to reduce Argentine energy prices, and similarly imposed high taxes on agricultural exports like soybeans to encourage production of subsistence crops for the domestic market. She solidified her support among Argentine workers by supporting 20 percent wage increases for the General Confederation of Workers (CGT), which became a model for other labor unions.

Although these policies experienced resistance from foreign investors, private oil companies, and landed oligarchs dependent on export production,

they appeared to be overwhelmingly popular with Argentines. According to reliable public opinion polls, she remained personally popular with 66 percent of the public. More important, however, the poll showed that 58 percent endorsed her vision of state intervention to control markets and protect average Argentine citizens. Luis D'Elía, a prominent piquetero leader, earlier had identified the stark choices that Fernández de Kirchner and the Argentine nation confronted: "democracy or dictatorship of the market." Increasingly, it looked as if the Argentine people were determined to use the power of democracy to tame the market. After a decade of neoliberal addiction to unregulated foreign markets and privatization, however, it remained unclear whether this prescription of state regulation and regional integration would be sufficient to induce a sustained independent development.

## Electoral Deception in Peru

Like Menem in Argentina and Brazil's Collor and Cardoso, Alberto Fujimori had offered himself as a populist candidate for the presidency of Peru in 1990. As a political novice and ethnic outsider, this son of Japanese immigrants was particularly adept at appealing for the votes of subaltern indigenous and mixed-raced peoples too long scorned by the traditional creole elites that had dominated Peruvian society and politics.

### FUJIMORI'S FRAUD, 1990–2000

Following his election, however, Fujimori caused consternation among his supporters by enacting severe austerity measures akin to those they had soundly rejected at the polls. "Fujishock," as the program was immediately dubbed, included the removal of customer subsidies. The result was soaring price increases, with the price of such staple foods as milk and bread nearly tripling. The program provoked widespread rioting and looting in Peru's shantytowns. In contradiction of his pledge not to privatize major public enterprises, Fujimori, hoping to attract foreign capital, offered to sell 232



Peru's President Fujimori quickly learned how to manage democratic capitalism's potentially fatal contradiction: to serve the powerful minority of international bankers and local elites who supported neoliberalism, successful politicians had to deceive their lower-class constituents with populist rhetoric and election-year patronage.

[El Fisgón/NACLA]

state-owned companies, including the controlling shares of the state copper mines. Despite their many problems, these firms provided one-half of Peru's foreign exchange earnings.

Fujimori confronted a comatose economy kept alive only with large injections of coca dollars, a fanatical guerrilla movement rampaging in the countryside and gaining ground in the cities, and a Congress that became increasingly restive over his use of the special decree powers it had granted him. Fujimori used those powers to promote his extreme neoliberal program and to give the military absolute control over the counterinsurgency. When Congress finally reacted to his abuse of the decree powers by overturning or amending some of the most offensive decrees in a special session, Fujimori aggressively attacked Congress and the

judiciary for their alleged inefficiency and corruption. Then, on April 5, 1992, he carried out his famous *autogolpe* ("self-coup"), closing Congress and the judiciary, suspending the 1979 constitution, and proclaiming a "Government of Emergency and National Reconstruction."

Public support for this coup, revealed in polls that showed approval rates between 70 and 90 percent, reflected widespread fear of the Shining Path guerrilla insurgency, which played into Fujimori's hands by its merciless killing of popular community leaders who organized communal soup kitchens and glass-of-milk programs. As a result, the public applauded government victories in its fight against the Shining Path and the smaller Tupac Amaru Revolutionary Movement (MRTA), capped in 1992 by the capture of Shining Path leader Abimael Guzmán.

This terrorism provided a convenient pretext for the security forces' equally indiscriminate repression of those who opposed Fujimori's insidious neoliberal program: popular organizations, progressive parties, and journalists, a number of whom were arrested on charges of promoting terrorism. Fujimori apparently had come to the same conclusion as Carlos Menem in Argentina: neoliberalism worked more efficiently in the context of an authoritarian political system.

In an effort to remove the taint of dictatorship and gain international respectability for his regime, in 1992, Fujimori drafted a new constitution that fully conformed to his authoritarian temper and neoliberal economic views. It concentrated all power in the president by allowing him to dissolve Congress at will, veto laws, and promulgate laws by decree; and it permitted his reelection in 1995. The document provided for a *laissez-faire* economy, with the private sector assigned the dominant role, and for privatization of state enterprises. State activity in education would be reduced, with less support for free education. The constitution established a strongly centralized nation-state, eliminating regional governments, subordinating the provinces to the executive branch, and denying provinces the right to keep a portion of the profits generated by the exploitation of natural resources

in their territory. Finally, the document adopted the death penalty for terrorism.

In 1995, Fujimori sought to lower inflation, expand consumption, and guarantee his reelection by opening Peru to a flood of cheap foreign imports. Although this produced short-term benefits, it also doubled the trade deficit, increased the nation's balance-of-payments deficit by 80 percent, and, over time, drove small and medium-sized industrial manufacturers and agricultural producers into bankruptcy. He also borrowed heavily from foreign bankers to pay for dramatically higher expenditures on poverty relief in poor communities devastated by his neoliberal structural adjustments. External debt grew by 72 percent from 1993 to 1995, and interest payments on that accumulated debt skyrocketed to 31 percent of export revenues.

In addition, the crafty president, dressed in indigenous garb, traveled daily to the *pueblos jóvenes* (squatter cities), composed of indigent highland migrants forced off their lands or fleeing the grinding poverty of the countryside, and directly dispensed presidential patronage, agreeing to build schools, roads, or public infrastructure. Government allocations to poverty relief increased by nearly 60 percent in 1994 and another 90 percent in 1995. Social spending more than doubled from 3 percent of the gross domestic product (GDP) in 1993 to 7.8 percent in 1995; whereas Fujimori had spent only \$12 on the social welfare of each Peruvian in 1990, he paid out \$176 in 1995. Despite the long-term risks for national development, the strategy worked, and Fujimori captured 60 percent of the vote in the 1995 elections. Moreover, according to political scientist Kenneth Roberts, "Fujimori's support in 1995 was highest in Peru's poorest departments, especially in the southern and central Andean highlands, where opposition to the constitution had been strongest in 1993."

However, although backing for Fujimori's economic policies was solid among foreign investors, the IMF, and domestic elites, it remained highly volatile among the impoverished masses. If every year were a presidential election year, the poor majority might be convinced to vote for Fu-

jimori, and poverty rates might even be expected to decline from their historic highs in 1993, when 53.6 percent of Peruvians lived in poverty and 21 percent lived in "extreme" poverty. His 1995 reelection effort alone reduced poverty by almost 10 percent, but thereafter poverty grew at an alarming rate.

Despite the dramatic increase in 1995 GDP and Fujimori's effective anti-inflation program, the nation's economy did not expand sufficiently during his tenure to justify the sacrifices that his neoliberal policies imposed on Peru. Growth rates averaged 4.7 percent per year since 1991, but unemployment, averaging almost 9 percent a year, remained stubbornly high, and the poorly paid "informal sector," composed of part-time and self-employed street vendors, experienced the most sustained growth. As a result, despite a decade of growth, in 2002, 54 percent of Peruvians were anchored in poverty. External debt, trade deficits, and net outflows of wealth all increased steadily since Fujimori took over in 1991. In 2000 the external debt was a whopping \$28 billion, almost twice as large as when he took office. The trade deficit averaged almost \$1 billion per year during his administration, almost three times higher than the annual average \$500 million surplus accumulated in the two economically depressed years before Fujimori took office. But this economic picture of growing poverty and increased external dependency tells only part of the story. Fujimori's government continued to rely on authoritarian methods to preserve his power and implement his neoliberal agenda. But this weakened his standing among both political elites and popular sectors. After a constitutional tribunal ruled unconstitutional his bid to run for reelection in 2000, he promptly fired the justices. Next, reports surfaced that he had authorized his security forces to tap the telephones of 167 political opponents, including the former secretary-general of the United Nations, Javier Perez de Cuellar. Fujimori's military then virtually declared war on the opposition press, engaging in beating, kidnapping, and torture. When a television reporter criticized the \$600,000 salary of the president's intelligence chief, Fujimori revoked the

station owner's citizenship and transferred ownership to minority shareholders.

Determined to remain in power, no matter the cost, Fujimori pressed his National Intelligence Service (SIN), the equivalent of the United States' CIA, to intervene boldly in the electoral process to guarantee it. Emboldened by popular opposition to these high-handed, overtly authoritarian tactics, Alejandro Toledo, born to poor indigenous parents, denounced the impending fraud and withdrew from the elections. International observers quickly followed suit, and even the U.S. State Department, which had supported Fujimori's neoliberal economic policies, described the 2000 election as "invalid." Popular grassroots movements quickly organized a general strike, and a wave of social protests, some of which became violent, swept the countryside. Suddenly, the issue that galvanized all Peruvians, regardless of their other disagreements, was Fujimori. Toledo, an economist educated in the United States, seized on this popular mobilization to energize his own presidential ambitions; he now denounced Fujimori's authoritarianism, his "antipopular economic measures," corruption, and failure to reduce poverty among the 55 percent of the nation that earned less than \$2 per day. The resulting tumult forced the Congress to dismiss Fujimori, who sought exile in Japan.

### **POPULAR MOBILIZATION AND RESISTANCE, 2000–2008**

Ironically, this messy transition dramatically increased Toledo's popularity but without requiring him to spell out his vision of a post-Fujimori Peru. Although he supported free trade, his populist campaign called for a review of Fujimori's privatization program, specifically promised not to sell off the state's public utilities, and pledged to reduce unemployment and poverty. As a result, when he assumed the presidency in 2001, public expectations were understandably high. The popular sectors that had supported his candidacy had one agenda, but the Peruvian business elite and foreign bankers urged another. Toledo quickly made clear which program would shape his presidential

administration. After meeting with officials of the IMF, he agreed to raise \$700 million in 2002 and almost \$1 billion in 2003 by selling off state assets, but this required him to break his campaign pledge to the people who had elected him. Thereafter, he announced the privatization of two profitable state-owned electric companies—Egasa, which earned \$14 million on sales of \$50 million in 2001, and Egesur—which were to be sold to a Belgian company, Tractebel, for \$167 million, one-half their declared value.

This naturally ignited a storm of violent popular protests that led to the declaration of a state of emergency and produced two deaths, hundreds of arrests, and \$100 million in damages. Pressed by this "democracy in the streets," Toledo, whose popularity already had plunged from a historic high of 60 percent to 16 percent, was forced, at least temporarily, to abandon his privatization plans and apologize publicly for having violated his campaign promises. But Toledo also had failed to make good on a promise to create 2 million jobs, restore workers' rights that had been usurped by Fujimori, and reduce unemployment and poverty, both of which rose as a result of his neoliberal policies.

The 2006 presidential election occurred in the midst of a growing popular clamor to "pay the poor, not the foreign debt." The top two candidates, Alan García and Ollanta Humala, a political newcomer and charismatic former military officer, both attacked Toledo's neoliberal policies and called for national development based on regional integration and state regulation of private enterprise. Ultimately, García cultivated neoliberal support and triumphed over Humala, who had identified himself with the radical nationalist policies of Bolivia's Evo Morales and Venezuela's Hugo Chávez. With 53 percent of the vote to Humala's 45 percent, Peru appeared poised to abandon its decade-long experiment with unfettered free enterprise in search of a more socially productive mix of state regulations and market forces.

But a year into his new administration, García appeared to follow the well-trod path of his mendacious predecessors. He appointed Toledo's neoliberal finance minister, Luís Carranza, to his

cabinet and endorsed a free-trade agreement negotiated with the United States. He also supported an education law that the Peruvian United Education Workers Union (SUTEP) condemned as an underhanded attempt to privatize education. It quickly became clear that García, lacking a legislative majority, had compromised his populist electoral promises in exchange for a neoliberal agenda.

Meanwhile, Humala announced that his party would use its plurality in the Congress to “make sure García complies with his electoral promises.” Even as Humala led the political opposition to García’s government, popular movements joined the struggle. The Peruvian Peasant Confederation (CCP) denounced the free-trade pact and organized a strike that paralyzed much of the countryside. Teachers’ strikes closed down 70 percent of the nation’s schools, and copper miners, unable to negotiate a satisfactory contract, joined the national protest movement organized by the General Confederation of Peruvian Workers (CGTP.) García’s popularity fell precipitously from 63 to 42 percent in his first year. In Peru, at least, it seemed as if the “Pink Tide” had only brought more of the same old flotsam and jetsam.

## Electoral Deception in Chile

Like the Brazilian and Argentine experiences with dictatorship, Chile’s military government proved unable to sustain a stable social order that would guarantee private property rights that were beneficial to both Chilean elites and foreign investors alike. As an alternative to a growing demand for restoration of popular democracy, these military leaders and their oligarchical supporters sought to reconstruct state institutions to permit popular electoral participation without surrendering social, economic, or political control.

### NEOLIBERALISM IN A LIMITED DEMOCRACY, 1990–2000

Nonetheless, pro-democratic forces, despite many differences, coalesced around Patricio Aylwin, who

won the 1989 elections. The first democratically elected government since 1970 faced enormous problems. First, the power of August Pinochet and his military dictatorship remained solidly entrenched in the state apparatus, especially the judiciary and security forces.

His 1980 constitution, which made it a crime even to think Marxist thoughts, also severely limited the new government’s democratic options. Nonetheless, popular movements pressed for the release of all political prisoners, dissolution of the security forces, abolition of torture and other human rights abuses, and punishment of officials who had committed such abuses. Here a major obstacle was the amnesty decreed by Pinochet for acts committed during the so-called internal war between 1973 and 1978, but that amnesty did not cover the many brutal murders committed after that date. The discovery early in 1990 of secret cemeteries, generally located near armed forces bases, that contained the remains of numerous victims who had frequently been tortured before being murdered, brought home to all Chileans the full horror of the regime under which they had suffered for seventeen years. One year later, a “Commission of Truth and Reconciliation” documented the horrific record of human rights violations committed under the Pinochet dictatorship. It identified 2,279 known deaths and disappearances, assigned direct responsibility for these crimes to the armed forces, and charged the courts with negligence for failing to respond properly to such violations of human rights.

But the process of settling accounts with the military murderers and torturers proceeded with excruciating slowness, due in part to the grim resistance offered by Pinochet and the army and in part to the government’s anxiety to achieve compromise and “reconciliation” with the military. This led the president to support a “gentle accommodation” with them and to abandon efforts to make Pinochet step down as commander in chief, which angered organizations of relatives of the “disappeared” and many other Chileans who claimed that Aylwin’s policies tended to institutionalize impunity.

Another major problem facing the new democratic government was the need to define its attitude toward the economic and social policies of the old regime, which benefited foreign transnationals and their domestic allies at the expense of long-range national interests and the welfare of Chilean workers. Here again, Pinochet's constitution, which prohibited new government investments that competed with the private sector, constrained public policy. Aylwin had to promise to make no major changes in the old regime's free-market policies but also committed himself to improve the living and working conditions of the Chilean masses. In fact, under Aylwin, the government considerably increased spending for health care, education, and social services. This resulted in a significant reduction in poverty. Overall poverty fell from 40 percent of the population in 1990 to 28 percent in late 1994, and absolute poverty (defined as insufficient income to buy a basic food basket) fell from 14 percent to 9 percent.

But the decline in Chile's poverty rate did not reverse historic patterns of income inequality. After almost a decade of democratic reforms, the wealthiest 10 percent of the Chilean population still received almost 50 percent of national income, while the poorest 40 percent, who had received only 10.5 percent in 1989, watched their share fall steadily during the 1990s.

This growing inequality was largely the product of the government's neoliberal economic model, which privileged employers' rights at the expense of labor. "Over the past twenty years," writes Orlando Caputo, a prominent Chilean economist, "\$60 billion has been transferred from salaries to profits." Like its predecessor, the Aylwin government prohibited farm workers' strikes during harvest season, which effectively undermined their collective bargaining power. It also disguised unemployment rates by "privatizing" unemployment—that is, by forcing the unemployed into the "informal sector" of low-income, self-employed peddlers who composed 50 percent of the work force. Real wage and salary income, which was still 18 percent lower than it was during the Allende period, declined 10 percent since

1986. By the late 1990s, a third of the nation earned less than \$30 a week.

Aylwin continued to stress such export products as seafood, lumber, fruit, and agricultural products, with production and commercialization dominated by agribusiness companies, many of them foreign-owned. Typical was the case of wood exports. There was a veritable explosion of Chilean lumbering, which increased by 57 percent and grew 6.4 percent per year in the 1990s. In south-central Chile, the new tree farms replaced such traditional crops as wheat, corn, and rice. Environmentalists charged that the new forests were damaging the soil, drying up water sources, and causing a rapid decrease of many species of plants and animals. Chile's export-based economic strategy also had serious health costs. A study carried out in the large fruit-growing region around the city of Rancagua, south of the capital of Santiago, revealed an alarming increase in children born with physical deformities to parents whose work exposed them to dangerous pesticides.

The explosive growth of raw-material exports was accompanied by the collapse of large-scale industry in such areas as textiles and construction. This was reflected in the decline in the number of unionized workers, who by 1996 composed only 12 percent of the total labor force, compared with 41 percent in 1972. Meanwhile, the number of Chileans who worked alone or owned firms with fewer than four employees (the so-called *microempresas*) greatly increased; these "microenterprises" employed more than 45 percent of the labor force in 1992. Typically, they contracted out to or serviced in a variety of ways the large conglomerates called AFPs (*Asociaciones de Fondos Provisionales*) or Mutual Funds, controlled by the ten richest families in Chile. "Workers in *microempresas*," writes Cathy Schneider, "are paid salaries barely above subsistence, without fringe benefits or job security. Irregular hours, unstable employment, and low caloric intake have increased levels of physical and mental exhaustion."

The AFPs also managed Chile's privatized pension system, to which all workers (but no employers) had to make contributions. This system

empowered employers to withhold employees' contributions from their paychecks, but there were no mechanisms to ensure that the employers promptly deposited those sums into AFPs, leading to frequent complaints about delays of months or even years in so doing. Moreover, because so many Chileans were marginally employed in the "informal sector," almost half the enrollees did not keep their contributions up to date and consequently accumulated less than a \$1,000 balance, clearly insufficient to support retirement. Finally, because the return on pensions depended on the value of the stocks in which contributions were invested, a prolonged decline in the Chilean stock market could have had a catastrophic effect on the system's health.

#### **POPULAR STRUGGLE FOR DEMOCRACY AND SOCIAL JUSTICE, 2000–2008**

In December 1993, Chilean voters elected Eduardo Frei of the ruling center-left coalition, son of the reformist president of the same name. Frei's populist program pledged to eradicate extreme poverty by the year 2000, reform the labor laws and the public health system, and regain civilian control of the military, but he also declared his support for free markets. This meant that Chile's prosperity and democratic institutions, already severely compromised by civil society's Faustian bargain with the military, would depend on increasing exports, attracting new foreign investment, and expanding domestic consumer credit, all of which could easily collapse as the world market fluctuated. The 1997 Asian economic crisis, which briefly panicked the Chilean stock market, alerted many Chileans to the fragility of their government's developmental model.

As a result, significant indicators of growing popular resistance appeared. First, labor unions became more defiant. The Teachers' Guild (*Colegio de Profesores*), led by Jorge Pávez, a long-time Communist party militant, organized a successful strike in 1996 and continued to coalesce with youth groups, environmentalists, women, and indigenous organizations like those of the Mapuches and Aymaras, all of whom had been damaged by the expansion of unregulated market forces.

Second, disenchanted with the political options available to them, none of which seemed to challenge the neoliberal orthodoxy, Chileans increasingly abandoned the political process altogether. In the December 1997 congressional election, 41 percent of eligible voters failed to register, abstained from voting, or defaced the ballot. Young people especially lost interest in politics and increasingly associated all political parties with corruption; during the last decade, the percentage of eighteen- and nineteen-year-olds registered to vote declined from 5 percent of the electorate to less than 1 percent. Even more startlingly, the share of voters between twenty and twenty-four plummeted from 15.6 to 4.8 percent.

Third, there emerged greater public support for bringing to justice those accused of brutal crimes during the fifteen-year Pinochet dictatorship. A particularly courageous judge, Juan Guzmán Tapia, successively indicted Pinochet himself on murder and kidnapping charges. He also authorized a criminal investigation into the murders of two U.S. citizens, Charles Horman and Frank Teruggi, who had supported Allende's Socialist government thirty years ago, and declared former U.S. Consul General Fred Purdy *inculpa*do (a suspect) in the crime. Intimating that he formally would seek their extradition to Chile if voluntary arrangements could not be made, Guzmán also respectfully asked the United States to make available to his investigation some sixteen other former U.S. government officials, including then U.S. Ambassador Nathaniel Davis and National Security Adviser Henry Kissinger. A recently declassified U.S. State Department document seemed to confirm the wisdom of Guzmán's inquiry into the activities of these U.S. government officials: "There is some circumstantial evidence," it reported, "to suggest U.S. intelligence may have played an unfortunate part in Horman's death."

Finally, Chileans elected Ricardo Lagos, presidential candidate of the ruling *Concertación* coalition and a lifelong member of the Socialist Party. Although Lagos's political platform was not remotely similar to that of Salvador Allende, the Socialist president who had died defending democracy against a vicious military coup, the martyred president was clearly on the minds of the massive

crowd that wildly celebrated Lagos's election with electrifying cries of "*¡Se siente! ¡Se siente! ¡Allende está presente!*" ("I feel it! I feel it! Allende is here among us!"). However, Lagos found himself in an awkward political position. He had campaigned on social themes, promising to sustain Chile's economic expansion, reduce unemployment, eliminate extreme poverty, promote equality for women and indigenous peoples, and guarantee workers' rights. But, thanks to undemocratic constitutional provisions imposed by the Pinochet dictatorship, his political opponents still controlled the Senate and blocked most of his legislative agenda, including a national health-care initiative, a dramatic increase in the minimum wage, and greater spending on education. Meanwhile, as global markets began to contract, unemployment continued to grow from 5.3 percent in 1997 to almost 10 percent in 2002; before the Asian economic crisis flattened Chile, its gross domestic product had peaked at 6.6 percent, but it averaged a meager 2.9 percent during the first two years of the Lagos presidency. Equally disheartening was the steady growth of Chile's external debt and the steady rise in the share of export revenues diverted to repay it.

Nonetheless, Lagos could point to some modest successes. He reformed the nation's labor laws to defend workers' rights, make workplace discrimination illegal, and strengthen trade unions. This legislation extended state protection to some 400,000 women, annually hired as temporary workers by *enganchadores* to harvest fruit in Chile's booming export industry. His government cut the military budget by severing its historical connection to copper exports and reallocated the resulting savings to social programs. During the Pinochet dictatorship, the military had been allocated \$225 million or 10 percent of all export revenues earned by the state-owned copper company, CODELCO, whichever was higher. Even though world copper prices generally rose during the 1990s, successive Christian Democratic presidents, still fearful of the military's power, had continued this practice, paying as much as \$341 million to the military account in 1995.

Finally, he worked to reduce Chilean poverty, which had rocketed to 40 percent by the end of the

Pinochet dictatorship, the "glory days" of the "free market." Steady economic growth and increasing state social programs since 1990 had produced a gradual decline in poverty rates to 20 percent in 1996, but Lagos sought to reduce these numbers still further and to eliminate extreme poverty by the end of his presidential term in 2006. Declaring that "the poor cannot wait, and these poor families will no longer have to wait," Lagos pledged to pay a monthly "protection bonus" of \$16 to indigent families earning a dollar per day or less.

Lagos's successful management of Chile's "free market" created considerable public support for the Concertación's 2006 presidential candidate, the self-described socialist Michelle Bachelet, the first Latin American woman to win the presidency independently of her husband. Like Argentina's Kirchner and Brazil's Lula, Bachelet had been imprisoned for her political opposition to the dictatorship during her youth, but her fragile political coalition restrained her presidential policies. Sustaining a 5 percent average rate of economic expansion, she nonetheless pledged "to make sure that everybody in this country will have the benefits of this growth" and immediately appointed a cabinet with gender parity. Moreover, she stressed the need to provide free health care to the elderly, reform the Social Security system, and free electoral procedures from the remaining constraints originally imposed by Pinochet's dictatorship. Bachelet's 2007 budget reflected these priorities, reducing the military's share and allocating 68 percent of funds to social expenditures—an 11 percent increase over the previous year. The bulk of these investments was in health care, Social Security, housing, and education. As a result of these state-sponsored social services, Bachelet insisted that in 2007 the poorest 10 percent saw their household incomes triple, and "the gap between the wealthiest and the poorest 20 percent of Chileans declined by one half."

No matter how well intentioned the current government was, however, it remained clear that history would judge Chile by its performance over time. But this judgment ultimately depended on two factors: popular struggle to overcome the considerable institutional constraints imposed by

almost two decades of dictatorship and a growing global economy upon which thirty years of neoliberal policies had rendered the nation utterly dependent. As the new millennium opened, progress on the former seemed assured even as the latter appeared increasingly uncertain; the fate of Chile's peculiar democracy thus continued to be clouded by its troubled past.

## Electoral Deception in Mexico

The Partido Revolucionario Institucional (PRI), which had come to power on the crest of a rising tide of populism early in the twentieth century, had embraced the neoliberal prescription for development in the 1980s, but its bitter medicine had alienated popular support. As elsewhere in Latin America, this forced PRI leaders to rely increasingly on scarcely concealed electoral fraud to secure their power. The "colossal fraud" that brought Ernesto Zedillo to the presidency in 1994 exposed the growing weakness of Mexico's long-standing authoritarian one-party state, and persistent popular political pressure finally destroyed it.

### NEOLIBERAL CRISIS AND POPULAR RESISTANCE, 1994–2008

The most immediate threat to the Zedillo regime was the prospect of an economic collapse. NAFTA, which was supposed to bring prosperity to Mexico, instead had deepened the recessive tendencies of the Mexican economy. The removal of trade barriers had ruined many small farmers, who found themselves unable to compete with the influx of cheaper U.S. grain, milk, and other agricultural products. Mexican national industries like the shoe and textile industries were threatened with destruction by competition from more technologically advanced U.S. and Canadian producers. An overvalued peso—deliberately overvalued to promote confidence in the Mexican economy, ensure the passage of NAFTA, and attract foreign investment—contributed to the flood of imports. This caused a growing trade deficit, a decline in the value of the peso against the dollar, and the flight of domestic and foreign capital out of the country.

With \$20 billion in short-term loans coming due in a few months, Mexico faced a replay of the 1982 debacle of inflation and looming default.

Once again, foreign governments, led by the United States, and international lending agencies came to Mexico's rescue with a bailout package of loans and loan guarantees amounting to some \$50 billion to pay or renegotiate the huge loans coming due and to stem the peso's collapse. But the price of the February 1995 bailout was high. In return for \$20 billion from the United States in loan guarantees, Mexico had to put up \$7 billion a year in oil-export revenues as collateral, to be deposited at the New York Federal Reserve. Another \$27.5 billion came from the IMF and the Bank for International Settlements, with the usual conditions: Mexico must cut social spending, restrain wage increases, and expand the privatization program to include PEMEX, the nation's prized petrochemical industry. Many Mexicans viewed the deal not as a bailout but as a sellout. "The gringos have us by the throat again," commented one Mexico City taxi driver.

By the decade's end, recurrent economic troubles, combined with the regime's growing vacillation, had produced a crisis of state legitimacy, fractured elite consensus, and fueled widespread popular discontent. In 1996 the government signed the San Andrés Accords, halting troop movements in Chiapas and recognizing indigenous rights to create "autonomous municipalities." A grassroots coalition of human rights groups in neighboring oil-rich Tabasco state promptly mobilized 10,000 Chontal natives, declared local petroleum reserves "an autonomous region," and blocked access to sixty wells; meanwhile, the powerful oil workers' union successfully lobbied the PRI leadership to condemn Zedillo's plans to privatize PEMEX. The Chiapas revolt continued to seethe, even as its rebellious message spread.

Still another guerrilla group, the Popular Revolutionary Army (EPR), emerged in Guerrero and coordinated an armed campaign in six southern states that included seizure of radio stations, raids on police stations, and assaults on army posts. Although government leaders scoffed at the EPR's popularity and dismissed its threat to regime sta-

bility. Father Máximo Gómez, a local parish priest, concluded that “90 percent of the people here support the guerrillas in their hearts.”

Popular opposition to the PRI and its neoliberal program, although clearly centered in the impoverished south, also continued to grow in central Mexico. *El Barzón*, a debtors’ group initially composed of middle-class farmers and ejidatarios damaged by free trade and high interest rates, filed some 350,000 lawsuits to block mortgage foreclosures; organized mass protests to obstruct the nation’s commercial highways; and staged sit-ins in government buildings, banks, courtrooms, and factories to demand debt relief. Under the leadership of leftist Juan José Quirino, the *barzonistas* expanded and became more politically partisan. With an estimated membership of half a million to a million, the Barzón demanded that the banks return to ejidos over a million acres of land illegally foreclosed during the debt crisis and announced an alliance with the Zapatistas to establish a democratic front to resist neoliberalism.

### A FOX IN THE HENHOUSE

But the most convincing evidence of massive popular resistance to the PRI and its neoliberal agenda were successive electoral repudiations in 1997 and 2000. This first secured a majority for opposition parties in the Chamber of Deputies that denied the PRI its traditional veto-proof Senate, thereby undermining the presidency’s nearly unlimited de facto power, and gave Cuauhtémoc Cárdenas control of metropolitan Mexico City, home to a quarter of the nation’s people. The second shattered the PRI’s historic monopoly of presidential power, which dated to its founding in 1929, and elected Vicente Fox Quesada, the candidate of the National Action Party (PAN), to the presidency. Fox, a wealthy former Coca-Cola business executive, had campaigned on populist themes and was a founding member of “Latin American Alternatives,” a group that denounced neoliberalism for its failure “to generate growth and development, and particularly to meet the challenge of achieving a more equitable distribution of income and wealth.” He promised to support indigenous rights and ne-

gotiate a peaceful resolution of the Chiapas crisis; dismantle the structure of political authoritarianism; promote economic growth; protect the state-owned oil company, PEMEX, from privatization; reduce poverty and inequality throughout Mexico; and double state funding of education.

Once in office, however, Fox abandoned his populist promises and surrounded himself with neoliberal advisors from the Mexican and transnational corporate business community: the World Bank, Union Carbide, DuPont-Mexico, Procter and Gamble, and Avantel, a subsidiary of WorldCom. His Minister of the Interior, Santiago Creel, was heir to an agricultural, mining, and timber fortune whose origins lay in the nineteenth-century world of Porfirio Díaz. Given their social backgrounds, it was no surprise that these men supported policies that favored investors, not social justice. During its first year in office, the Fox administration sought to cut subsidies to small farmers, privatize Mexico’s energy and telecommunications industry, eliminate legal protections for workers, and facilitate debt collection. He also secured passage of a regressive 15 percent, value-added tax on food and medicine, which, opponents insisted, would fall disproportionately on 40 million poor people, 17 million of whom were desperately poor. Largely because he lacked a congressional majority, however, Fox failed to win legislative support for these proposals. His own party helped defeat a presidential initiative that would have protected indigenous rights, while other legislative coalitions blocked the president’s remaining agenda. Fox himself even failed to win congressional authorization to leave the country to meet with Microsoft CEO Bill Gates! By December 2001 polls showed that his popularity had declined to 50 percent from a historical high of 75; moreover, according to another poll published by the Mexico City newspaper *El Universal*, only 37 percent said they would vote for Fox again.

Meanwhile, the economy, which grew at an annual average rate of 5.5 percent between 1997 and 2000, nonetheless produced higher rates of poverty. After two decades of neoliberal policies and steady economic growth, punctuated by major declines in 1982 and 1994, the share of poor



In the aftermath of the Electoral Commission's decision to proclaim Felipe Calderón president, supporters of Andrés Manuel López Obrador (AMLO) filled the Zócalo, constructed a tent city, and demanded a full electoral recount "vote by vote, ballot box by ballot box." The protest against signs say "Lopez Obrador Stands Firm; the People Rise Up!" [David de la Paz/EFE/Corbis]

Mexicans, according to the World Bank's conservative estimates, had grown from 34 percent in 1977 to 68.5 percent in 2000. Using different standards and methods, Julio Bolvitnik, an economics professor at the Colegio de México and an early advisor to the Fox government, reported in March 2001 that some 70 million Mexicans were poor, 27 million of whom earned less than was necessary to purchase their basic nutritional requirements. According to Bolvitnik, data for 2002 and 2004 showed a further increase in poverty aggravated by the Fox government's 2 percent reduction of its financial support for Procampo, the state's rural antipoverty program.

Moreover, the World Bank, a champion of neoliberalism, reported that in 1998, after two decades of neoliberal policies, income inequality in Mexico was greater than ever: the poorest 10 percent of the population earned 1.3 percent of national income, whereas the wealthiest 10 percent received 41.7 percent. This growing inequality was largely a function of unregulated markets that empowered investors rather than workers. But fewer than 2 percent of Mexican households relied on investment income, whereas 72 percent depended on waged labor. Since 1993 about a million manufacturing jobs were created, but half of these were created in the *maquila* industry and the

other half in the informal sector, both of which were renowned for low wages and part-time, insecure employment. In 1990, 40 percent of the Mexican work force was self-employed in these “microenterprises,” but this rose to more than 50 percent in 2001. Between 1994 and 2000 average wages declined 21 percent.

By 2007, Mexico remained utterly dependent on foreign export and investment-capital markets. Since 1990 its external debt, which had risen steadily from \$104 billion to \$166 billion in 1999, declined to \$117 billion in 2006, well above the 1990 figure. But it still relied on the United States for 80 percent of its export sales, and it paid foreign bankers \$1 of every \$3 that it earned. Mexico’s economy withered between 2000 and 2005, as the U.S. market contracted: export prices fell, export income dropped, economic output declined, and urban unemployment grew from 3.4 to 5.3 percent in 2004 before declining slightly to 4.6 percent during an economic boomlet in 2006. The economy’s resurgence surely helped Felipe Calderón win the 2006 presidential election over his progressive opponent, Andrés Manuel López Obrador, a persistent vocal critic of the nation’s neoliberalism. But allegations of electoral fraud continued to haunt the nation, as López Obrador released evidence of erroneous ballot tallies and other irregularities in a close election decided by fewer than two votes in each electoral district. Under considerable popular pressure, Mexico’s Electoral Commission nonetheless denied López Obrador’s request for a total recount and instead agreed to reexamine vote totals from only 9 percent of the nation’s polling places. But even this modest recount reduced Calderón’s margin of victory from .58 to .56 percent of the total vote. According to Mark Weisbrot of the non-partisan Center for Economic and Policy Research (CEPR), this constituted “a significant percentage of votes in an election this close” and “certainly casts doubt on the electoral authorities’ decision to reject a full recount.”

In the election’s aftermath, Calderón faced widespread popular opposition. Millions occupied the Zócalo, the main public square in Mexico City, to protest the election outcome and to demand a re-

count “vote by vote.” Later, they proclaimed López Obrador the “legitimate president” and called for the creation of a shadow “government in rebellion.” From Chiapas, the EZLN continued its “Other Campaign,” a grassroots movement to build a unified national popular resistance to a capitalist economic system that routinely relied on marginalized and exploited workers. In the southern state of Oaxaca, meanwhile, a teachers’ strike and protest against a corrupt governor blossomed into an open rebellion that mobilized some 400,000 militants. In the face of such determined opposition, Calderón found his government constrained to court his rivals. He announced a 2007 budget that seemed to increase public expenditures on social services. He also allocated \$300 million to a National First Job program that paid employers to hire first-time workers and announced a Tortilla Price Stabilization Pact that secured agreements with the nation’s major tortilla producers to limit price increases, although the caps permitted a 30 percent increase.

Whatever the outcome of these ongoing struggles, at the heart of Mexico’s continuing economic, political, and social crisis was the debt problem and the system of dependent capitalism that produced it. North American scholar Peter Evans had presciently written in 1979:

Like Brazil, Mexico has found that dependent development requires a mass of imported outputs even larger than the exports it generates, and that even when the multinationals cooperate in the promotion of local accumulation they still ship more capital back to the center than they bring in. . . . Dependent development does not correct the imbalances in semi-peripheral relations with the center; it replaces old imbalances with new ones.

## Electoral Deception in Bolivia

Like their counterparts in Brazil, Argentina, and Chile, the Bolivian military had largely governed Bolivia between 1964 and 1982. Although it periodically permitted elections in which highland indigenous peoples, who constituted a majority

of the population, did not participate, the military routinely intervened to prevent the triumph of progressives like Walter Guevara Arze in 1979. Instead, it presided over the systematic looting of the nation's economy and left a legacy of social unrest that plagued the nation for decades. Bolivia's continuing crisis was sustained by the collapse in the price of tin (the country's major traditional export) the meteoric rise of cocaine as its chief dollar earner, and heavy international pressure on Bolivia to adopt neoliberal policies of austerity and privatization. Discredited by two decades of failure, the Bolivian military withdrew to its barracks, but its unmistakable presence constrained elected governments thereafter and produced a sharp contrast between populist electoral promises and neoliberal government policies.

#### COVERT SUBVERSION OF DEMOCRACY, 1985–2000

This pattern of covert subversion of democracy was initiated in the 1985 election, in which two-thirds of the electorate, disillusioned with military-controlled politics, stayed away from the polls. Neither former dictator General Hugo Banzer Suárez nor Víctor Paz Estenssoro, the seventy-eight-year-old populist leader of the 1952 revolution, commanded more than 50 percent of the vote. Although Congress, with the support of progressive deputies, eventually elected Paz president, pressure from Banzer and the International Monetary Fund (IMF) forced him to implement a severe austerity program as a condition for badly needed new IMF loans. In quick succession, he slashed government subsidies for basic services and food, froze wages, devalued the currency over 1,000 percent, removed all restrictions on foreign imports and investments, and resumed payments on Bolivia's foreign debt.

In alliance with Banzer, Paz announced a neoliberal plan designed to end hyperinflation and stabilize the economy. Drafted by Harvard economist Jeffrey Sachs, it called for closing down as many as eleven unprofitable state-owned mines, laying off thousands of workers, selling other state enterprises to the private sector, making deep cuts in public services, and increasing taxes. Paz's decision

to close down Bolivia's largest tin mine brought the conflict between the government and the labor movement to a head. The miners' union called a general strike, and thousands began a march on the capital of La Paz. The government imposed a state of siege, arresting hundreds of labor and community leaders and sending troops, tanks, and planes to patrol the mining regions.

The mining crisis added to the tension caused by a 1986 decision to invite U.S. troops to join with the Bolivian military in "Operation Blast Furnace," a campaign to eradicate the country's cocaine laboratories. Ironically, the cocaine trade was the most dynamic sector of Bolivia's economy—despite these well-publicized anti-narcotic raids, this chief source of dollars was compensating for the sharp decline in the country's export earnings. Sale of coca paste generated \$600 million annually, one-third more than the nation's legal export earnings of \$400 million.

The conflict between the miners and the government took a dramatic turn when some one thousand miners protested government mine-closing plans, the state of siege, and other repressive measures by occupying mineshafts and launching a hunger strike. The miners' plight and the stubborn refusal of the government to negotiate a solution to the conflict caused growing public sympathy and demonstrations of support for the miners. In a momentous show of solidarity, the Bolivian National Federation of Peasant Women led national sympathy strikes and blockades to protest the government's neoliberal policies.

Aware of the unpopularity of its position, the Paz government accepted the offer of church mediation in its dispute with the miners. Eleven days of talks produced an agreement that called for the release of a hundred labor, peasant, and community leaders; a moratorium on mine-closings; compensation for miners who lost jobs; and termination of the blockade on the flow of supplies to the mining regions.

The miners, the backbone of the *Central Obrera Boliviana* (COB), historically Latin America's strongest labor movement, had beaten off government efforts to destroy their union. But there was no indication of a change in the government's overall

economic policy, a neoliberal, free-market policy that sought to eliminate or sell off state-owned industries, remove tariff barriers to foreign imports, and lift all restrictions on foreign investment. The fruits of that policy were apparent in the decline of traditional industries, a drop in consuming power of some 40 percent in 1985–1986, and an unemployment rate of 30 percent.

Paz and Sachs celebrated their program's successful conquest of inflation. However, the resulting high unemployment contradicted their free-market theory that assumed the tens of thousands of displaced miners would find work in the private sector. But the only expanding private sector economic activity in Bolivia was coca and cocaine production. Thousands of miners, finding no alternative employment, invested the indemnification money they received from the government in land and began to grow coca. Bolivian coca-leaf production increased 60 percent—from 50,000 metric tons before the Sachs plan to 80,000 afterward—making Bolivia the second-largest producer of coca. It was also the second-largest producer of cocaine. An estimated 500,000 Bolivians were now dependent on the coca economy, which made cocaine “like a cushion that is preventing a social explosion.”

The neoliberal policies that made Bolivia dependent on coca cultivation also increased its dependence on U.S. military and financial aid, which ironically was conditioned by an agreement to mobilize the Bolivian army, as an instrument of the U.S. war on drugs, to eradicate coca plantings. Joint U.S.-Bolivian sorties were soon regularly occurring in the Chaparé region, where most of Bolivia's coca was cultivated. But there was no evidence that the sorties, the destruction of access roads, and other military measures won the Bolivian war on drugs. Increasing or declining supplies of coca from the Chaparé region seemed above all to reflect the movement of peasants into and out of coca cultivation according to fluctuations in coca leaf prices.

Meanwhile, indigenous peasant communities, whose livelihoods increasingly depended on coca leaf cultivation, fiercely resisted all Bolivian and U.S. military efforts to eradicate it. Under their re-

lentless pressure, the Bolivian government in 1992 sought to decriminalize the coca leaf, as opposed to cocaine. This “coca diplomacy” stressed the coca leaf's alleged medical benefits. Coca had been used for centuries in Bolivia and other Andean countries to alleviate hunger and counter the debilitating effects of living at high altitudes. However, U.S. drug policy sternly opposed any proposal to end the illegal status of the coca leaf.

During the 1990s successive presidential elections provided a forum for populist campaign promises that invariably disguised neoliberal policies. Gonzalo Sánchez de Lozada, a millionaire businessman, won a comfortable victory in 1993 with 36 percent of the vote in a field of four candidates. At his inauguration, attended by Fidel Castro, to whom the new president granted his first formal audience, and by Rigoberta Menchú, the Guatemalan Nobel Peace Prize winner, Sánchez proclaimed his commitment to the country's poor and promised to redistribute income.

But the core of his economic program was the privatization of state enterprises and state restructuring demanded by the IMF and the World Bank as the condition for continued economic aid to Bolivia. One month after the inauguration, he fired ten thousand state workers, sparking a wave of strikes and demonstrations, led by the Bolivian Workers' Central (COB), that paralyzed the country for weeks.

The crisis over state restructuring, combined with a renewed crisis in the tin-mining industry, itself the result of falling world market prices, led to the closing of hundreds of small mining cooperatives employing thirty-five thousand workers, and to accumulating losses by the much diminished state-owned *Corporación Minera de Bolivia* (Comibol). Because tin accounted for almost 49 percent of Bolivia's total exports, the fall in its price had a disastrous impact on the country's trade balance.

By the end of Sánchez's term, Bolivian society remained desperately poor; despite moderately high annual economic growth rates, population increases produced an annual per capita income of only \$800—next to Haiti, the lowest in the hemisphere. But even this figure understated the social crisis, because real wealth in Bolivia was so

unequally distributed: 78 percent of urban households lived below the poverty line, and of these, 40 percent were classified as “indigent,” meaning that their income did not cover their most basic needs.

Moreover, poverty there as elsewhere had a distinctively feminine cast: 10 percent of women were single heads of households, 67 percent of whom were raising one or more children. Two-thirds of rural women were illiterate and therefore limited to extremely low-wage jobs. Thirty-three percent of all children were chronically malnourished. Even Sánchez conceded that “while the economy is going well, what is going poorly are the social problems of the country.”

### POPULAR RESISTANCE AND RESURRECTION OF THE STATE, 2000–2008

The decade ended with neoliberalism firmly entrenched in the policies of the new president and former dictator Hugo Banzer, who soon resigned for health reasons in favor of his vice-president, Jorge Quiroga, an industrial engineer, graduate of Texas A&M University, and a self-described “corporate yuppie.” This produced a stable, even impressive, economic growth rate averaging 4 percent annually, as elsewhere in the region largely financed by high interest rates to attract foreign capital, which expanded external debt from \$385 to \$494 million by 1999. But it also left over 5 million people—60 percent of the nation’s population—impoverished, with the second-highest infant mortality rate (57 of 1,000) in the hemisphere and the third-lowest life expectancy (64). Underemployment was widespread, and unemployment rates hovered around 12 percent. Bolivian women, workers, trade unions, indigenous rights activists, and debtors’ organizations increasingly joined together to protest neoliberalism’s negative social consequences; they often won modest victories—for example, reversing the privatization of parts of the state-owned Bolivian Mining Company (COMIBOL) in 2002.

As the new millennium opened, it was clear that more than a decade of neoliberalism had brought Bolivia no closer to prosperity or balanced development. Even *The Economist*, the English tri-

bune of free trade, had to acknowledge that Bolivia’s experience had sorely tested faith in market forces: “Market economics, whatever its promise for the future, has not brought prosperity to the poor.” Bolivians increasingly agreed. In the 2002 elections, none of the presidential candidates sang the praises of privatization and unfettered markets. Former president and millionaire mine owner Gonzalo Sánchez de Lozada, popularly known as Goni, won a narrow plurality (22 percent) of the vote, promising to improve the free market by using state revenues to create jobs. But all the others severely criticized neoliberalism and called for its rejection or reform. The candidate of the Movement Toward Socialism (MAS), Evo Morales, a defiant leader of indigenous coca growers, shocked all observers by finishing second in the balloting with 20.94 percent. He advocated indigenous rights, suspension of foreign debt service, renationalization of industries privatized over the previous two decades, and state regulation of the economy to reduce poverty and promote greater social equality. Because no candidate received 50 percent of the vote, the new Congress selected Goni, but a powerful popular opposition, led by Evo Morales and galvanized by a resurgent indigenous rights movement, soon drove him from office.

The key event that prompted his impromptu exit was the 2004 “Gas War,” a conflict over Bolivia’s abundant gas reserves and their exploitation. Labor and indigenous rights activists, led by Felipe Quispe, joined forces to demand the renationalization of gas and the use of the resulting state revenues to promote national economic development beneficial to Bolivia’s impoverished masses, especially Aymara and Quechua indigenous communities. Strikes, roadblocks, and other forms of direct action ultimately induced Goni’s resignation and his successor, Carlos Mesa, organized a national referendum to end the crisis. The overwhelming majority (between 87 and 92 percent) supported repeal of Goni’s privatization law, reclamation of national ownership of hydrocarbons, and reestablishment of the state-owned oil company Yacimientos Petrolíferos Fiscales Bolivianos (YPFB). Defying this national mandate but seeking to mollify its

supporters, the government passed a law in 2005 that merely increased the state's share of royalties, which failed to satisfy the social movement. New protests over Mesa's refusal to sign the act into law led to his resignation.

In the aftermath of the "Gas War" and referendum, the 2006 presidential elections offered Bolivians an opportunity to exercise their collective democratic voice, and they elected Evo Morales with 54 percent of the votes, a clear electoral mandate in Bolivian politics. Shortly after his stunning triumph, Morales, distinguishing himself from his predecessors, declared his unwavering support for popular democracy. "We are not a government of mere promises," he thundered. "We follow through on what we propose and what the people demand." On May 1, 2006—the International Workers' holiday—he signed a decree that nationalized the gas and oil industries and directed foreign companies to renegotiate their existing contracts within six months in conformity with the law.

As if to reemphasize his point, Morales ordered the army and YPF engineers to occupy and secure the companies. The reassertion of state control over the industry aimed to subordinate hydrocarbon production to the needs of national industrialization and to expand state revenues by some \$780 million, six times greater than in 2002. Some of these funds were allocated to social programs designed, with assistance from Cuban doctors and educators, to meet United Nations Millennium goals that included free medical services, eradication of malnutrition, and elimination of illiteracy. For example, early in 2008, the Morales government used 30 percent of the new revenue generated by the nationalization of oil to fund a "dignity pension" that paid \$315 monthly to some 700,000 poor people, disproportionately of indigenous descent. The clear goal, according to a government spokesman, was to "reduce incidences of poverty in the country from 59.9 percent to 42.4 percent by 2015."

Naturally, many obstacles confronted both Morales and the social movements that brought him to power. Domestically, they faced a determined opposition from the regional autonomy

movement in the eastern department of Santa Cruz, home to the nation's richest deposits of gas and oil. Fearing the redistributionist policies of Morales's national government, these groups, led mostly by wealthy, Euro-identified mestizo businesspeople, insisted on considerable autonomy in economic and political affairs. But there also was substantial opposition from foreign investors and international lending agencies like the IMF and the World Bank, traditional proponents of neoliberalism. Bolivian political analyst, Carlos Toranzo, had concluded in 2002 that Morales and his social movement allies represented "ideas that are in style all over the world—antiglobalization, anti-neoliberalism, anti-imperialism." In 2008 those words seemed prophetic, but the history of Bolivia suggested that a more confident assessment must await the passage of time.

## Electoral Deception in Ecuador

Like its neighbors, Ecuador's recent history amply demonstrated the tortured conflict between popular democratic processes and neoliberal programs, whose initial public appeal relied heavily on the unfulfilled promises and chaos bequeathed by populism's gradual collapse. Here, as in Bolivia, the political mobilization of indigenous peoples played a key role.

### POPULIST RHETORIC AND NEOLIBERAL PRACTICE, 1984–2000

In the mid-1980s, Ecuador, like Bolivia, became the scene of a determined effort to implement the free-market, neoliberal policies for which the United States under the Reagan administration provided a model. In 1984, León Febres Cordero was elected president and signed an agreement with the IMF to defer payment on Ecuador's foreign debt, which stood at about \$7 billion and consumed more than 30 percent of Ecuador's export earnings to pay interest. The price exacted was that usually demanded of Third World countries by the IMF: Ecuador must take steps to encourage

foreign investment and restrict domestic consumption, lower tariffs on foreign imports, and modify the monetary exchange system in favor of exporters. In this and in other ways, Febres justified the tribute paid to him by President Reagan when he visited Washington in January 1986: Febres, declared Reagan, was “an articulate champion of free enterprise.”

A balance sheet of the impact of Febres Cordero’s economic and social policies on Ecuadorian living standards made dismal reading. A study by Ecuador’s Catholic University disclosed that foreign corporations took three dollars out of the country for every dollar they invested. Between 1981 and 1984, workers’ share of national income fell from 32 to 20 percent, and employers’ profits rose from 60 to 70 percent. Ninety percent of schoolchildren suffered from parasitic diseases, and the infant mortality rate, according to various estimates, stood at between 150 and 250 per thousand.

Understandably, the 1988 general elections provided Ecuadorians an opportunity to voice their displeasure with neoliberalism. The country’s trade unions mobilized behind a program calling for the nationalization of the oil industry, the rescinding of price hikes, and a 100 percent increase in the country’s \$80-per-month minimum wage. They helped elect Rodrigo Borja Cevallos, whose campaign stressed social needs over debt interest payments to foreign banks. But Borja faced what he called “the worst economic crisis” in Ecuador’s history. In the last four years, food prices had jumped 240 percent, and half the labor force was unemployed or underemployed. The crisis sharply limited Borja’s options in economic and social policy. A moderate leftist in the social democratic mold, Borja assured businesspeople that his government would carry out no nationalizations but would seek to regulate the economy and support the private sector.

His efforts to achieve debt payment relief met with resistance from the foreign banks: Ecuador was forced to accept IMF demands for a devaluation of its currency, a commitment to raise fuel prices, and other austerity measures as a condition for starting debt rescheduling talks with creditor

banks. As a result, the Borja regime faced growing opposition both from traditional elites and progressives who had formerly supported it. Denouncing Borja’s economic policies as unjust and dictated by the IMF, these groups joined together to censure the ministers responsible for the austerity measures.

The growing militancy of Ecuadorian labor, reflected in a 1991 general strike, was matched by that of indigenous peoples, who made up more than 40 percent of the country’s population. In 1990 organizations like OPIP and the Ecuadorian Confederation of Indigenous Nationalities (CONAIE) spearheaded the *Inti Raymi* uprising, which mobilized hundreds of thousands of supporters from eight provinces in the sierra and several in the Amazon. The indigenous demands included land redistribution and a constitutional declaration that Ecuador was a multiethnic country that respected indigenous rights. Although the government agreed to dialogue with indigenous leaders, pressure from the great planters and ranchers resulted in the government’s abandoning its promises. The new militancy of indigenous peoples, traditionally reputed to be peaceful and docile, caused alarm among the country’s landed elite.

By 1992, Ecuadorians had come to distrust Borja’s promises and opted instead for the populist pledges of Sixto Durán-Ballén, who campaigned on a program of state reconstruction and privatization. But his plan for the “modernization of the state” called for the dismissal of up to 120,000 employees out of a total state sector of 400,000 over the following four years and the privatization of 160 state companies. Durán-Ballén also announced a structural adjustment package that included a 35 percent devaluation of the national currency, fuel price increases of more than 125 percent, rises in electricity rates of up to 90 percent, and a 190 percent increase in cooking-gas prices.

Received with enthusiasm by international financial institutions, this plan caused an immediate drastic decline in Durán-Ballén’s popularity at home. The major trade union, the United Workers’ Front (FUT), and CONAIE both opposed him. Two months into his four-year term, a poll showed that half of those who had voted for him would not

have done so again, and 75 percent disapproved of his policies. In mid-1993 the unions claimed that living standards had fallen by 50 percent since Durán-Ballén had taken office. The minimum wage was about \$30 a month, but unofficial estimates put the cost of a shopping basket of basic goods at about \$250.

In 1993 this opposition mounted a successful “guerrilla campaign” of strikes and demonstrations to limit the government’s neoliberal “modernization” program. Peremptory dismissals of state employees were abandoned, and the privatization of state companies in areas regarded as “strategic,” such as oil, telecommunications, and electric power, required the passage of special laws by Congress.

A nationwide teachers’ strike, the longest such strike in Ecuador’s history, grew into a major battle in the war between the president and labor. It was provoked when Durán-Ballén pushed through Congress changes in the code governing teachers’ salary scales and school administration. The strike became a battle of wills; it ended after Congress passed a new package of changes that restored the status quo and assured the National Educators’ Union’s participation in school policy-making. The union declared that the strike was a turning point in the grassroots struggle against “the IMF-dictated policies that [the government] is implementing.”

Another front in Ecuador’s social wars opened when indigenous Huaorani, who live deep in the Ecuadorian Amazon, traveled to Quito in 1993 to protest the intrusion of oil companies into their territory. The protest was aimed at halting the construction of a highway by the Dallas-based company Maxus that would run through the heart of the Huaorani reserves. The Huaorani complained that the road would bring in thousands of settlers and land speculators, leading to deforestation, loss of animal and plant species, and destruction of the indigenous economy and way of life.

Although President Durán-Ballén met with the Huaorani, he made no promises. But even the state oil company (Petroecuador) admitted that since 1972, when Ecuador began oil production in large quantities, pipeline failures had dumped 450,000

barrels of oil into the Amazon forest. According to a 1993 “Letter from the Amazon” in *The New Yorker*, “A spill filled the Napo [River] with a slick that stretched from bank to bank for forty miles.” The Huaorani, wrote reporter Joe Kane, “were trapped in the path of an American juggernaut, their fate bound up with a culture whose thirst for oil was second to none.” “It is likely,” Kane noted sardonically, “that the Huaorani will be wiped out for the sake of enough oil to meet United States energy needs for thirteen days.”

The Huaorani promised to use force if necessary to prevent construction of the highway. In 1993 other Ecuadorian indigenous groups filed a billion-dollar class action suit in New York against the Texaco oil conglomerate over massive environmental devastation of the Oriente rain forest. According to the suit, Texaco knowingly had dumped millions of gallons of crude oil into open pits and lakes in the region at the rate of 3,000 gallons a day for twenty years. A Harvard University study confirmed that most residents of the area suffered severe health problems as a result of the dumping.

#### **PLURICULTURAL RESISTANCE AND STATE RECONSTRUCTION, 2000–2008**

By the 1996 presidential elections, Durán-Ballén’s popularity had declined from more than 70 percent to less than 10 percent because of his neoliberal economic policies. Simultaneously, indigenous peoples joined with Afro-Ecuadorians, women, students, trade unions, and peasant organizations to form the Movement of National Pluricultural Unity Pachakutik, a political coalition that won many state offices. It also successfully lobbied for the creation of CONPLADEIN, an independent state agency, to represent the autonomous cultural and economic interests of black and indigenous Ecuadorians. Pachakutik, though a successful and growing political party, still functioned as a powerful social movement that mobilized “pluricultural” opposition to the newly elected President Abdala Bucaram, a wealthy businessman who also violated his 1996 populist presidential campaign promises by privatizing state assets and cutting state

spending on social services. By February 1997 outrage over this violation of campaign promises, fueled also by charges of widespread corruption, led directly to Bucaram's ouster, an ensuing political crisis, and economic chaos, exacerbated by devastating El Niño–inspired floods that wiped out whole villages and destroyed basic infrastructure.

In 1998, after campaigning on a populist platform, new president Jamil Mahuad, a Harvard graduate, faced an economic crisis aggravated by a steep decline in global oil prices and sought relief by implementing a neoliberal austerity program in exchange for an \$800 million IMF loan. His government promptly declared a state of emergency, abolished income taxes, bailed out the nation's private banks, doubled gasoline prices, and reduced spending on social services for the 60 percent of the nation's population classified as poor. Strikes and massive, angry protest marches proliferated. Unemployment grew to more than 50 percent, and Mahuad's popularity fell to 16 percent, prompting even his congressional allies to abandon him.

In January 2000 the United Workers' Front and CONAIE, representing indigenous peoples, together organized massive protests against Mahuad's neoliberal privatization plans. They especially opposed his dramatic price increases for bus transportation and cooking gas, all of which targeted the nation's poor majority and carried favor with wealthy Ecuadorian business leaders and foreign bankers. Angered by military budget cuts, elements of Ecuador's army later joined the opposition and effectively forced Mahuad to resign. Fearing the radicalism of this popular rising, especially its indigenous complexion, military officers in this racially and class-stratified nation organized a counter coup to restore Mahuad's vice president, Gustavo Noboa, to power.

Although he initially made concessions, Noboa soon confronted an economic crisis in which inflation surpassed 90 percent, unemployment exceeded 10 percent, and external debt almost equaled the total value of the nation's GDP. To tame inflation and generate revenues to repay foreign bankers, Noboa adopted the U.S. dollar as the nation's currency, slashed social spending, and sought to privatize an array of state resources,

prompting domestic business elites to celebrate and popular forces to renew their resistance. Now joined by university students, CONAIE and the popular coalition launched yet another massive demonstration to "combat the neoliberal economic model." But this time, with thousands of indigenous peoples camped out in Quito, they also pressed the Noboa government to end its cooperation with U.S. and Colombian forces seeking to use Ecuadorian military bases to support Plan Colombia, a U.S. proposal for a military solution to neighboring Colombia's decades-long conflict.

Negotiations to end the protest ultimately reinforced the social movement's power and its grassroots democratic structure; the protestors won various concessions, including increased spending on national indigenous health, education, and development projects and a pledge to end "the regionalization of Plan Colombia, and the involvement of Ecuador in foreign conflicts." Emboldened by these gains, the protesters mobilized in support of the 2002 presidential candidacy of Lucio Gutiérrez, a retired colonel who had joined the 2000 rebellion of workers and indigenous people. Gutiérrez promised to reduce poverty, create jobs, and stimulate national production. He pledged to root out business corruption, reform tariffs, and allocate 15 percent of the budget to public works projects. However, this progressive coalition mobilized against him when he failed to carry out his populist electoral promises and instead declared his support for the neoliberal Free Trade Area of the Americas. In 2005, amidst considerable social turmoil and political chicanery, this social movement induced the Ecuadorian Congress to restore order by voting to impeach Gutiérrez.

Thereafter, this powerful popular coalition shifted its political support to Rafael Correa, who won the 2006 presidential election with 57 percent of the vote. Pledging to end the "long dark night of neoliberalism," Correa steadfastly opposed free trade, called for the renegotiation of foreign oil contracts to increase Ecuador's revenues, and advocated expansion of state antipoverty programs, including subsidies for housing, food, public utilities, health, and education. Defending the country's sovereignty against foreign bankers, he defied the



After his 2007 presidential victory, Rafael Correa used his popular democratic support to elect a solid 60 percent majority in the constituent assembly that was “fully empowered to draw up a new constitution and reform the institutional framework of the state” to end oligarchic control. [© Robert Puglla/epa/Corbis]

IMF, expelled a World Bank official, threatened to default on Ecuador’s \$10 billion external debt, and insisted on its renegotiation to exclude those funds lent to “illegitimate” military governments in the past. Seeking to change the nation’s political structure, he secured the support of 82 percent of voters in a referendum to convene a popular assembly to reform the nation’s constitution. Finally, Correa advocated the removal of some four hundred U.S. military troops from an Ecuadorian airbase on the border with Colombia and established cordial relations with regional allies in the hemispheric opposition to neoliberalism, Venezuela’s Hugo Chávez and Brazil’s Lula da Silva.

Notwithstanding these important victories for the popular opposition to neoliberalism, the contest over Ecuador’s future was far from over. A traditional propertied elite preserved its privileged positions, and the foreign debt, whose repayment annually consumed 25 percent of export income, made Ecuador vulnerable to external pressure to ignore the democratic voice of its own citizens in favor of a developmental model that they unambiguously rejected. In fact, “dollarization” of the economy effectively limited the capacity of domestic democratic politics to affect national economic policy and also reinforced the nation’s economic dependency on the United States, because it now

had to pay for the importation of its circulating currency. Augusto de la Torre, director of the World Bank's Ecuador office, candidly admitted that "politics are now less relevant in Ecuador. If you talk to entrepreneurs now, they look at politics like they look at soap operas." As the importance of electoral politics receded, it was clear that, in the words of a Pachacutik representative, "the struggle will continue in other forms."

## Market Forces and State Regulation in the Cuban Model, 1990–2008

Although the leaders who were swept into office by the "Pink Tide" sought diverse practical solutions to their respective nation's problems, they all seemed to agree that a stable national development required a mix of state and market activities. Many, like Hugo Chávez, Evo Morales, and Rafael Correa, specifically acknowledged that they had drawn inspiration from the Cuban experience. Although denying that his Bolivarian Revolution was "copying anything," Chávez, for example, nonetheless admitted his admiration for the Cuban system because "in Cuba, there is no child that is not in school, no sick person who is not tended to." Although critical of Cuba's limits on political freedoms, Correa also indicated his appreciation for the way Cuba had endured its worst crisis since the 1959 revolution without sacrificing the education or health of its citizens.

### RECTIFICACIÓN AND THE "SPECIAL PERIOD"

During the early 1990s the socialist collapse in Europe threatened Cuba's progress in streamlining its economy and creating greater equality. As they transitioned toward a market economy, Cuba's Eastern European trading partners were forced to trade on international prices, conducted in hard currency. But Cuba also needed its limited stock of hard currency to pay interest on its foreign debt and purchase certain vital products from the West. Anticipating increased difficulties with some of its former socialist trading partners, Cuba diversified its trade links, doubling its trade with China

and increasing its trade with Latin America by 20 percent.

Nonetheless, the Soviet collapse dealt a devastating blow to the Cuban economy, resulting in a national income decline of approximately 45 percent between 1989 and 1992. Before 1990, Cuba had received 13 million tons of oil annually from the Soviet Union, but this fell sharply to 1.8 million tons in 1992 (from Russia). In addition to routine blackouts and factory shutdowns, the resulting energy crunch led to a revival of horse-drawn carriages, the use of oxen-drawn tractors, and wholesale replacement of cars in transport by bicycles—good for the environment and health, but economically inefficient and uncomfortable. The shortfall in oil dealt a heavy blow to another of Cuba's major hard-currency earners: the nickel industry. Cuba had the world's third-largest nickel reserves, but the Soviet collapse caused production to fall 36 percent, from 46,600 metric tons in 1989 to 29,900 in 1994. To make matters worse, world-market prices for nickel, which had peaked at over \$6 per pound in 1989, plummeted more than 50 percent during the next five years to \$2.87. Foreign-exchange earnings therefore declined disastrously.

The economic crisis also temporarily reversed the trend of steadily improving social conditions and produced a temporary decline in living standards. During the early years of this "special period," most Cubans lived on a drab diet of white rice and red beans, supplemented by some vegetables and fruit, an occasional chicken, and what they could purchase on the open market. The food rationing system, however, prevented the emergence of the massive hunger and malnutrition so common in the rest of Latin America.

This crisis was aggravated by the United States' intensified effort to strangle socialist Cuba through passage of the 1992 Torricelli Act, which extended the U.S. trade embargo against Cuba to U.S. subsidiaries in third countries and barred any ship docked in Cuba from entering a U.S. port for 180 days. The Helms-Burton Act of 1996 tightened the noose by allowing U.S. citizens to sue foreign corporations whose trade or investment profits derived from properties expropriated more than forty

years ago. These laws drew angry protests from Canada and the European Community, which felt that the United States had no right to apply its laws extraterritorially. Each year since 1992, the U.N. General Assembly had voted by overwhelming majorities (157 to 2 in 1998) to condemn the embargo, and in July 1993 a summit of the leaders of Latin America, Spain, and Portugal unanimously called for an end to the embargo against Cuba. Pope John Paul II, during a much-celebrated visit to Cuba in 1998, added his voice to those protesting the embargo, as did Nobel laureate and former president Jimmy Carter in 2002.

In the midst of crisis, the socialist government showed its revolutionary pragmatism. In 1992 the National Assembly adopted sweeping changes in the constitution and electoral law, including enhanced constitutional protections for all religious faiths and provisions for a direct, secret election by voters of National Assembly deputies. It also authorized 100 percent foreign-owned companies and joint-venture enterprises with foreign capital. The first direct, competitive elections for deputies of the National Assembly resulted in a lowering of their average age to forty-three—a reflection of the generational change of guard taking place in Cuba. In another sign of the new political atmosphere, candidates for office no longer needed approval by the Communist Party, and other reforms aimed to make the National Assembly “a more independent and effective body for legislation, governmental monitoring and oversight, and economic planning.”

According to Cuban Vice President Carlos Lage, the revolutionary government during this “special period” also sought economic reform “without altering its socialist essence.” In fact, unlike the rest of Latin America, where domestic elites and the IMF pressed governments to slash social spending, Cuba actually increased its investment in social services from an average 17 percent of GDP during the 1980s to 24 percent in 1993, the depth of the national crisis.

The government monitored foreign investment, closely regulated its relations with Cuban labor, and scrutinized its impact on the environment. Ironically, Cuba’s socialist infrastructure of

national planning, free universal health care, and education may have been the most attractive feature to foreign investors, who grudgingly endure inevitable state interventions in exchange for the benefit of a healthy, disciplined, productive, highly educated work force. They also benefited from relative labor peace and freedom from the extraordinary expense of unemployment or medical insurance payments. In effect, they gained access to scarce resources and First World workers at Third World costs. “It’s one of the advantages of a centralized economy,” a Cuban economist explained. “We can actually make a company’s investment more secure than it would be in an unregulated economy.”

As a result, foreign firms were eager to engage in joint ventures in fields ranging from a new overseas telephone system to tourism. In June 1994 a Mexican company signed a \$1.5 billion deal to rehabilitate Cuba’s telephone system. New hotels built by joint ventures with Spanish companies were rapidly springing up on Cuban beachfronts, with the number of foreign tourists topping 500,000 in 1993 and rising to 1,000,000 annually thereafter. In 2000 tourism earned \$1.9 billion in reserves, Cuba’s largest source of hard currency. More than three hundred joint ventures with some fifty-seven countries in forty different sectors of the economy attracted investments in excess of \$5 billion; domestic investment also increased, rising to 9 percent in 1997. Cuba still depended greatly on sugar, but the economy also had diversified. Income from manufacturing netted \$415 million, tobacco and cigars brought in \$100 million, a relatively new biotechnology industry earned \$100 million, and nickel production grossed \$90.8 million. Moreover, the government invested heavily in modernizing the sugar industry. Most cane was harvested by machine, and many new mills were built.

After five years of declines, Cuba’s gross domestic product rose steadily after 1993, averaging 3.3 percent per year between 1994 and 2000. Trade also rose consistently: the annual average increase in the value of exports and imports since 1993 was almost 20 percent. As a percentage of GDP, budget deficits had grown astronomically to 40 percent in 1993 but thereafter declined to

4 percent in 1996, producing dramatic improvement in consumer confidence and strengthening the Cuban peso by 40 percent. More important, these macroeconomic indices of national recovery were reflected in the experiences of everyday life in Cuba. Ascribing this apparent renaissance to Cuba's "entrepreneurial socialism," a visitor concluded that "in Havana some of the new wealth is clearly starting to be felt in the population generally. On almost every block, it seems, is a freshly painted house. The discos are jammed every night with both Cubans and foreigners."

Cuba hoped to overcome its energy crisis through the development of large offshore oil and gas reserves, which the U.S. Geological Survey estimated at 4.6 billion barrels and 9.8 trillion cubic feet, respectively. In June 1994 two Canadian firms announced that they had found commercial quantities of oil at wells offshore in Matanzas Province. Utterly dependent on frequently expensive oil imports since its independence, Cuba contracted with Chinese, Indian, and Brazilian state oil companies to collaborate with its own Cubapetróleo (Cupet) to produce almost 4 million metric tons of oil in 2006, an increase of 400 percent during the decade. Moreover, with assistance from Venezuela's state oil company, Cuba refurbished its Cienfuegos oil refinery facilities, which enabled it to process some 65,000 barrels per day, almost half of the nation's total energy needs. This reduced the nation's import bill, lowered its energy costs, improved industrial efficiency, and contributed to greater economic independence.

In addition to promoting such traditional exports as sugar and nickel and expanding tourism, the Cuban government made the development of biotechnology and medical exports an essential part of its economic survival strategy. In the 1980s, Havana's center for genetic engineering produced interferon, an important drug in the treatment of cancer. Since then, Cuba invested more than \$1 billion in biotech research, organized thirty-eight biotech centers, and developed four hundred patents on products ranging from fetal monitors to vaccines against hepatitis B and meningitis B. Ironically, in 2002, Cuba contracted with Glaxo SmithKline, a multinational pharmaceutical com-

pany, to market this meningitis B vaccine around the world, including the United States, where annually three thousand cases of meningitis claimed three hundred lives, mostly in impoverished, high-risk areas. But the U.S. government, which usually opposed restraints on private trade and investment, nonetheless prohibited the use of this life-saving vaccine unless Glaxo agreed to pay Cuba its royalties in kind—for example, through the export of medicines—rather than in cash.

In response to the economic crisis of the early 1990s, the Cuban government had instituted additional reforms. Most important, a reorganization of agriculture replaced large state farms with autonomous cooperatives in land "ceded for an indefinite period by the state." These "Basic Units of Cooperative Production (UBPC)" operated on a profit-sharing basis and administered their own resources. They received from the state credits for purchasing farm equipment, seeds, and other inputs in exchange for a commitment to sell a fixed amount of their harvest to the government; any surplus crops could be sold at prevailing prices in the open market. By 1998 over 1,500 UBPCs controlled 3 million hectares of land and employed almost 122,000 workers, 114,000 of whom were co-op members. This decentralization of agriculture, appealing to the workers' self-interest, led to more efficient use of resources and contributed to a 17.3 percent growth of agricultural production in 1996.

Cuba also launched a vast technological experiment in agriculture that aimed to end dependence on costly foreign agricultural inputs by converting from conventional modern agriculture to large-scale organic farming. The "alternative model," as the Cubans call it, sought "to promote ecologically sustainable production by replacing the dependence on heavy farm machinery and chemical inputs with animal traction, crop and pasture rotations, soil conservation, organic soil inputs, and what the Cubans call biofertilizers and biopesticides—microbial pesticides and fertilizers that are nontoxic to humans." Two agricultural scientists who have studied the program, Peter Rosset and Shea Cunningham, stress its "potentially enormous implications for other countries suffering

from the declining sustainability of conventional agricultural production.”

A second general reform authorized self-employment in a long list of trades and occupations. In reality, these new rules simply legalized long-existing activities, but they also generated tax revenues and provided regulatory controls, inspections, and licenses. This “informal sector” expanded rapidly, averaging between 10,000 and 15,000 self-employed Cubans in 1993 and mushrooming to 180,000 by decade’s end. Cuba’s informal sector, however, contrasted sharply with the poverty and economic insecurity of its counterparts in the rest of Latin America. Because socialism guaranteed them inexpensive housing, basic subsistence, free health care, and education, self-employed Cubans typically spent their income on discretionary consumer goods. In a 1997 article in *The Atlantic Monthly*, Joy Gordon reported the example of a woman with a *paladar* (private home restaurant) that served \$4 dinners, who could afford a Sony stereo system, a VCR, and new color television. “Yet,” Gordon concludes, “this is possible in Cuba only because and insofar as it has remained socialist.”

Finally, in an obvious move to encourage the inflow of dollars through family remittances from the United States, the government announced that it would no longer penalize the holding of foreign currencies and would authorize Cubans to spend U.S. dollars in a network of government stores. These measures eased the government’s cash crisis and put a dent in the flourishing black market, but they created a privileged class of people with access to U.S. currency and increased inequality. According to one Cuban economist, “The 4:1 income gap between best-paid and worst-paid has widened in ten years to 25:1.” But this still left Cuba the most egalitarian society in the hemisphere.

#### **A MIX OF STATE OWNERSHIP, REGULATION, AND MARKETS**

As a result of these reforms and Cuba’s growing insertion into the world economy, the new millennium opened with Cuban officials expressing quiet confidence that Cuba had turned the corner, that

the worst was over. Some professional economists agreed that, in defiance of neoliberal orthodoxy, this “Cuban miracle” had “confounded its critics,” but many problems remained unsolved. Largely due to the U.S. economic blockade, which increased the cost of Cuban imports and limited income from exports, Cuba suffered from massive trade deficits that also increased its reliance on short-term foreign loans at high interest rates. By 2001 its foreign debt was \$13 billion.

During the late 1990s the nation had relied on dollar remittances and a rapidly growing \$1.5 billion a year tourism industry to cushion the impact of its trade deficit. An important consequence of the September 11 terrorist attacks on the World Trade Center, however, was a dramatic decline in worldwide tourist travel, which threatened to reduce national revenues. Finally, the rising cost of oil and the fall of sugar prices damaged Cuban prospects for a full economic recovery. Although Cuban socialism guaranteed every citizen free access to health care, education, and a basic subsistence diet, Cubans interested in resurrecting pre-1990 living standards had to access private markets; but this required dollars that could be secured only in the tourist industry or through family remittances from abroad. Naturally, this tended to undermine the revolution’s long-standing commitment to social and economic equality.

As a result, it was not surprising that a new debate about racism, civil rights, and equal opportunity emerged among Cuban intellectuals and in popular culture. Historian Alejandro de la Fuente suggested that a recent proliferation of Cuban scholarly studies of race in its historical and contemporary context reflected concerns about rising inequality in Cuba. To be sure, dollarization immediately privileged families with relatives living in self-imposed exile in the United States, and these overwhelmingly tended to be light-skinned Cubans of Spanish ancestry. But more disconcerting was the virtual invisibility of Afro-Cubans in the tourism industry, the only other source of dollars. In 2000, Castro himself admitted that Cuba was not “a perfect model of equality and justice” and acknowledged that, although “we established the fullest equality before the law and complete

intolerance for . . . sexual discrimination in the case of women, or racial discrimination,” these racial, gender, and class prejudices persisted.

These prejudices, growing social inequality, and their collective impact on Afro-Cuban identity also became lyrical themes in the rapid emergence of a new hip-hop culture in Cuba. Initially influenced by rap music broadcast by Miami commercial radio stations, young, mostly black males fused hip-hop styles with traditional Afro-Cuban rhythms to deplore injustices associated with the “special period”: racism, class inequality, prostitution, and selfishness. According to an official of a Cuban state organization that promoted rap artists, “Cuban rap is criticizing the deficiencies that exist in society, but in a constructive way, educating youth and opening spaces to create a better society.” Indeed, Cuban rappers increasingly recognized the nation’s enduring cultural identification with “whiteness” as the historical source of its lingering racism. This was reflected in the response of a hip-hop producer to a Cuban reporter’s question about whether there were any “white” rappers: “Well, let’s say there are lighter-skinned rappers,” he replied, “because no one in Cuba is white.”

Despite all these problems, however, it was still true in 2008 that, in the face of the collapse of its major trading partners two decades earlier and forty years of implacable opposition from the United States, including a trade blockade that openly violated international law, Cuba had made a remarkable recovery. It ranked 51 in the 2007–2008 United Nation’s Human Development Index of 180 countries, fifth in Latin America behind Argentina, Chile, Uruguay, and Costa Rica. Cuba’s doctor-patient ratio ranked first in the world, with 591 physicians per 100,000 people. Among 108 developing countries, Cuba had the sixth-lowest poverty index. Its infant mortality rate, at 6 per 1,000 live births, was the lowest in Latin America and lower than that of the United States (7 per 1,000). Its adult literacy rate was the highest in Latin America (99.8 percent). It had the largest number of scientists and engineers per capita of any Latin American nation (1,611 per 1,000,000

people), twice that of second-place Argentina. During the 1990s, Cuba’s 3.7 percent average annual per capita economic growth rate placed it second only to Chile among Latin American nations. Despite growing inequality, it still had the most egalitarian income distribution in the region, perhaps in the world. With understandable pride, in June 2000, Cuban president Fidel Castro surveyed the devastation wreaked by the early 1990s economic Armageddon and remarked, “In spite of this, we did not close down a single health care centre, a single school or daycare center, a single university, or a single sports facility. . . . What little was available we distributed as equitably as possible.” No other nation in the region could make a similar claim.

Further Cuban development would of course be greatly facilitated and hastened by a change in U.S. policy that would result in economic advantages for both countries. Unfortunately, the United States continued to harbor cold-war prejudices and illusions about Cuba that it abandoned long ago about a much more powerful communist state, the People’s Republic of China. U.S. government officials openly promoted the overthrow of Cuba’s socialist state and planned for a post-Castro reorganization of Cuban society. But reports of the early demise of the Cuban Revolution were greatly exaggerated—even after Fidel Castro retired in 2008 and the National Assembly elected his brother Raúl, also a leader of the 1959 revolution, to the presidency. Short of a massive U.S. invasion, there was very little prospect that Cuba’s socialist regime would be overthrown from within or without. In Cuba, unlike in Eastern Europe, socialism did not arrive in the wake of a victorious Red Army. It was created by an indigenous popular revolution that linked the ideals of socialism and independence, and it still enjoys considerable popular support. Despite many economic problems, the Cuban Revolution had a record of social achievement without parallel in Latin American history and presented a vivid contrast to the economic and social crises gripping most of the capitalist societies of Latin America.

The process of “rectification” included efforts to democratize still further Cuba’s political and

economic structures, widening popular participation in decision making and increasing tolerance for expressions of dissent. This process seemed to culminate with the release of most “prisoners of conscience” in 1998, Pope John Paul’s historic January 1998 visit, and the 2002 arrival of former U.S. president Jimmy Carter, who condemned the forty-year U.S. blockade and openly promoted the Cuban dissidents associated with the Varela Project.

But despite this new openness and the Cuban government’s agreement to allow Cubans who wish to leave to do so, U.S. government hostility to Cuba remained relentless, in the process violating its own sacred rhetorical commitments to the free movement of people, trade, and investment. The United States denied travel visas to internationally renowned intellectuals like Gabriel García Márquez; prevented, under terms of the Helms-Burton Act, Canadian, Mexican, and European business executives with Cuban investments from entering the United States; and refused to allow U.S. citizens to travel freely to Cuba.

Moreover, the 1978 Cuban Adjustment Act, which granted immediate legal status to all Cubans arriving in the United States, effectively encouraged Cubans to emigrate illegally aboard dangerous, leaky, makeshift boats and rafts or to hijack planes and ferries, without fear of serious punishment in the United States. Meanwhile, the United States approved fewer than three thousand legal immigration applications per year, even though a 1984 immigration accord permitted annual legal immigration of twenty thousand Cubans and three thousand political prisoners. President Castro accordingly chastised the U.S. government for needlessly endangering Cuban lives through its cynical manipulation of the immigration issue to destabilize Cuba and subvert the revolution. U.S. radio broadcasts routinely urged Cubans to protest and commit terrorist acts of sabotage against their government, reinforcing this lawlessness by refusing to prosecute Cubans who hijacked boats or planes en route to the United States. Similarly, in 2007 it freed Luis Posada Carriles, a notorious anti-Castro terrorist and former CIA operative, ac-

cused of a 1997 bombing in Havana and convicted in Panamá of a terrorist plot to assassinate Castro in 2000. By contrast, in the 1960s, when several planes were hijacked to Cuba, the Cuban government arrested and convicted the hijackers for their crimes; more recently, it executed Cubans found guilty of hijacking a ferry.

Early in the twenty-first century, however, Cuba’s economy exploded from an annual growth rate of 3 percent in 2001 to 10 percent in 2006, according to *The Economist*. Chief among the major sources of new economic activity was a dramatic expansion in the export of services. For example, Cuba paid for valuable oil imports from Venezuela by providing Cuban doctors to dispense medical services to poor Venezuelans under joint programs like Barrio Adentro and Operation Miracle. Like the rest of the region, Cuba also benefited from relatively high export prices. But increased exports and rising export prices combined with growth in the service sector to reduce the nation’s debt service as a share of export income. By 2006 its foreign debt grew to \$15 billion, but its debt service ratio declined from 17 percent in 2002 to 11 percent.

This economic renewal created additional pressure on the U.S. government to lift its economic blockade. Influential newspapers called for rolling back the embargo. The *New York Times* complained that U.S. policy toward Cuba remained frozen in the past and appeared to be dictated by the most radical factions of the anti-Castro Cuban exile community. Fearing the impact of global economic competition on U.S. trade and investment, “an exponential increase” of U.S. companies became interested in Cuban markets, according to testimony of the United States–Cuba Trade and Economic Council, a business group that supported a gradual dismantling of the embargo. Eager to claim a share of Cuba’s health-care market, worth \$500 million to \$1 billion, and its bulk-food commodity imports, valued at \$800 million, influential corporate executives like Dwayne Andreas of Archer Daniels Midland Company, Ted Turner of Time Warner, and Donald Fites of Caterpillar also opposed the embargo. Because removal of the embargo would produce between \$3 and \$7 billion of trade, at least

\$2 billion in exports, and some forty thousand new jobs, doing so clearly would bring substantial economic benefits to both the United States and Cuba.

With political allies in power throughout the region, Fidel Castro retiring from public office after a serious surgery, and brother Raúl leading a stable Cuba, the outlines of an institutionalized post-Fidel political transition seemed unmistakable. After almost fifty years, during which the Cuban revolution and Fidel Castro had become virtually synonymous, the island nation's future remained uncertain, but one conclusion seemed unequivocal: Cuba's revolutionary commitment to social justice had inspired political leaders and popular movements throughout the region to embrace a

dynamic mix of state ownership and market regulation designed to promote sustainable national and regional development.



**Go online for additional resources:**

- ✓ Primary sources
- ✓ ACE self-test quiz
- ✓ Chapter summary
- ✓ Flashcards
- ✓ Suggested readings

# The Two Americas: United States–Latin American Relations

## FOCUS QUESTIONS

- What were the permanent long-term U.S. objectives in Latin America, and how did successive U.S. governments variously seek to achieve them before 1898?
- How did U.S. policy change between 1898 and 1933?
- What were the origins of the Good Neighbor Policy, and how was it applied?
- How did U.S. policy change in the aftermath of World War II, and what roles respectively did the Cold War and U.S. economic interests play?
- How did U.S. policy change after 1981?
- How did U.S. policy affect the development of Latin America?

**T**WO CONSISTENT THEMES appear in the examination of U.S. relations with Latin America over nearly two centuries. First and foremost, the United States sought to protect and expand its economic and strategic interests in the region. Ever since the administration of James Monroe, the United States attempted to establish and maintain Latin America as an economic appendage. U.S. policymakers displayed resourcefulness and flexibility in pursuit of this goal, adapting their methods to meet the varying domestic political pressures, the changing requirements of U.S. business, and the shifting conditions in Latin America. Thus, U.S. policy never relied exclusively or even primarily on unilateral military conquest and subjugation of Latin America; instead, it sought to establish its hegemony—that is, to “manage” hemispheric events by securing Latin America’s consent to a multilateral system of inter-American relations whose “general rules,” though expressed in universal, humanitarian terms, none-

theless incorporated its special political, economic, and strategic interests.

Second, U.S. leaders consistently justified U.S. policy by portraying the region as hopelessly backward, desperately in need of beneficent U.S. tutelage to save its people from the ravages of barbarism and promote the development of virtuous, democratic republics modeled on an idealized U.S. experience. In this process, according to Mark T. Berger, the work of historians and social scientists in Latin American studies was complicit. This “discourse” of a U.S. “civilizing mission” was rooted in white supremacist ideas in the nineteenth century and the discursive language of modernization theory in the twentieth. It thereby facilitated “the creation and maintenance of the national and international organizations, institutions, interstate relations and politico-economic structures that sustain and extend U.S. hegemony in Latin America and around the world.”



## U.S. Policy Objectives

U.S. policy toward Latin America changed over time to accommodate its burgeoning economic activities in the region. During the early years of the nineteenth century, U.S. commerce with its southern neighbors demanded little more than policing the Caribbean for marauding pirates. As the United States grew into a commercial, industrial, and, eventually, financial power, its foreign policy broadened in scope. The hunt for new markets brought it into competition with European nations, especially Great Britain. As a result, it became one of the major aims of U.S. policy to check the further penetration of European commerce and capital into Latin America.

By the turn of the century, Latin America had become not only a substantial market for U.S. products but also an important source of raw materials and a major area for capital investment. Having recently built a powerful navy, the United States assumed the responsibility of protecting its commerce and investment by forcibly maintaining order in the region. Uninvited, it assumed the role of policeman of the Western Hemisphere. In this capacity, the United States focused its attention on the weak and chaotic nations of the Caribbean and Central America, where U.S. economic activity was concentrated.

At mid-century, South America replaced the Caribbean as the focus of U.S. economic expansion. Geography, logistics, and the anti-imperialist temper of the times required the United States to abandon the old policies of military intervention in favor of more subtle and sophisticated ways of achieving its ends; these new methods included the lure of grants and loans, the threat of economic sanctions, and subversion. When these methods failed, however, as they did in Guatemala in 1954, in Cuba in 1959, and in the Dominican Republic in 1965, the United States did not hesitate to resort to the open or covert use of force.

Ideology always figured in U.S. policy toward Latin America. Thus, Theodore Roosevelt vowed to “civilize,” Woodrow Wilson to “democratize,” and John F. Kennedy to “reform” Latin America.

But ideology always was subordinated to the material needs of United States–Latin American policy, and the presidents who made these pious professions were ready to use force in defense of the U.S. empire in Latin America. They were also ready to support the most oppressive regimes in the area as long as they cooperated with the United States. Highlighting this link between high ideals and capitalist class interests, Wilson, for example, argued in 1912 that “if America is not to have free enterprise, then she can have freedom of no sort whatever.”

The two Americas, both born in wars of national liberation, followed very different historical paths. In two centuries, the United States rose to become the industrial and financial giant of the capitalist world; despite its many economic and social problems, it provided the majority of its people with a satisfactory material standard of living. Latin America fell far behind the other America in terms of its capacity to meet the economic needs of its citizens.

Many Latin Americans are convinced that these divergent trends are related, that Latin American underdevelopment is the other side of North American development, and that Latin American poverty and misery have accumulated as the economic and political power of foreign (chiefly North American) multinational corporations have grown.

## Prelude to Empire, 1810–1897

### MANIFEST DESTINY, 1810–1865

During the early decades of the nineteenth century, westward expansion and nascent commerce brought the United States into its first contact with its southern neighbors. However, U.S. military and economic weakness, lack of information, and British predominance in the area limited U.S. activities in Latin America. U.S. trade with Latin America began in earnest in 1797, when Spain opened the ports of its New World colonies to foreign trade. By 1811 the Spanish colonies accounted for 16 percent of all U.S. trade. A dozen years later, despite

the disruptions of the War of 1812, the figure had increased to 20 percent.

With only a small navy and few funds at its disposal, the U.S. government could offer little aid to the Spanish American nations during their wars of independence (1810–1826). During the first stage of these wars, the War of 1812 consumed the attention and resources of the United States. From 1817 to 1819, it undertook delicate negotiations with Spain for the purchase of Florida and chose not to jeopardize these dealings by helping the Spanish American insurgents. However, their victory offered powerful strategic and commercial advantages to the United States. First, with the French retreat from Haiti and the Louisiana territories in 1803 and the British in search of a U.S. alliance in the 1820s, Latin American independence eliminated Spain, the hemisphere's last potential military threat to U.S. security. This enabled the United States to spend less on defense and invest more in the development of its civilian economy.

Second, it meant, in Thomas Jefferson's words, that the United States could absorb "piece by piece" the old Spanish American empire, "a huge, helpless and profitable whale." Similarly, John Quincy Adams, anticipating U.S. economic relations with a "free" Latin America, expected that the United States would grow wealthy from the region's dependence on it: "As navigators and manufacturers, we are already so far advanced in a career upon which they have yet to enter that we may, for many years after the conclusion of the [independence] war, maintain with them a commercial intercourse, highly beneficial to both parties, as carriers to and for them of numerous articles of manufacture and foreign produce."

When the Latin American independence movements clearly had succeeded, the United States acted to prevent other European nations from reestablishing colonies or undue influence in the region, developments that could shut off U.S. access to potentially lucrative markets. In his message to Congress on December 2, 1823, President James Monroe declared that as a matter of principle, "the American continents, by the free and independent condition they have assumed

and maintain, are henceforth not to be considered subjects for future colonization by any European powers. . . . We should consider any attempt on their [the European powers'] part to extend their system to any portion of this hemisphere as dangerous to our peace and safety." Monroe went on to say that the United States would not interfere with existing colonies, nor would it meddle in European affairs.

The Monroe Doctrine was ineffective for much of the nineteenth century because the United States had neither the resources nor the inclination to back it up. The doctrine, furthermore, failed to prevent repeated European interventions in Latin America. Following the accepted practice of the time, French and British gunboats regularly bombarded or blockaded Latin American ports to force payment of debts or reparations. The United States, too, adopted this practice, landing troops in the Falkland Islands, Argentina, and Peru during the 1830s; in Argentina, Nicaragua, Uruguay, Panama, Paraguay, and Mexico during the 1850s; and in Panama, Uruguay, Mexico, and Colombia during the 1860s.

Nineteenth-century westward territorial expansion involved the United States in countless wars against Native Americans and two wars against Mexico. After the purchase of Louisiana (1803) and Florida (1821), the country began to covet Mexico's northern provinces, where U.S. citizens conducted a flourishing commerce. In 1825, President John Quincy Adams authorized the U.S. minister to Mexico to negotiate the purchase of Texas. The Mexican government rejected the proposal. During the early 1830s, U.S. settlers poured into Texas and quickly found themselves at odds with Mexican authorities over the issues of local autonomy and the illegal introduction of slavery into the area. In 1836 the settlers rebelled, defeated Mexico in a short war, and won their independence. Texas remained an independent nation for ten years, for the bitter debate over the extension of slavery prevented its annexation to the United States until 1845.

In 1845, President James Polk sent an emissary, James Slidell, to Mexico to arrange the acquisition of California. Outraged at the annexation of

Texas, the Mexicans refused to cede any of their territory. Consequently, Polk trumped up a border incident along the Rio Grande, provoking a military clash that led to the war against Mexico (1846–1848). The victorious United States took the territories of Arizona, New Mexico, and California. Barely some seventy years old, the United States, building upon its conquest of Native American lands, had successfully waged another war of territorial acquisition.

### COMMERCE AND THE CANAL

From 1815 to 1860, U.S. foreign commerce increased dramatically; exports grew by nearly 400 percent and imports by 300 percent. The nature of U.S. trade was transformed, for instead of reexporting foreign-made goods, U.S. merchants exported agricultural commodities and manufactured goods produced in the United States. Because of the increased economic activity in the Caribbean, especially Cuba and Central America, the United States began to pay close attention to the region. Cuba became one of the most important U.S. overseas markets, ranking third behind Great Britain and France in total U.S. trade. Throughout the 1850s, there was a strong sentiment, particularly among southern slave owners, to annex the island. President Millard Fillmore tried unsuccessfully to purchase Cuba from Spain in 1852.

Central America became important because of the prospect of a canal through the Central American isthmus. After discussions began in 1825, the United States signed an 1846 agreement with New Granada (Colombia) that guaranteed U.S. access to any canal built in its province of Panama. This concern over a canal and commercial interests in Central America brought the United States into direct confrontation with Great Britain, which had colonies in the region. Each nation sought to keep the other from dominating the area or controlling any canal that would be built. As a result, in 1850 they agreed to the Clayton-Bulwer Treaty, which provided that neither would try to dominate Central America or any part of it or would acquire exclusive rights to a canal. Thus, they eliminated a potential cause of hostilities.

The gold rush to California in 1849 increased the importance of transportation across the isthmus. U.S. entrepreneurs invested heavily in steamships and railroad construction in the region to satisfy the demand for cheap and fast transport across the isthmus to California. Despite the treaty with Britain and these heavy investments in transportation, U.S. interest in a canal continued.

### THE AWAKENING GIANT, 1865–1887

In the two decades after the Civil War (1861–1865), U.S. policymakers focused their concerns on territorial expansion and increased trade in Latin America, finding little success in either. The major diplomatic triumph of the era came in 1866 when Secretary of State William H. Seward, belatedly invoking the Monroe Doctrine, demanded that France remove its troops from Mexico, where they propped up the rule of the Emperor Maximilian, the Austrian archduke. Emperor Napoleon III of France complied the following year, more because of growing tensions with Prussia in Europe than because of fear of the United States.

A succession of U.S. presidents and secretaries of state attempted to acquire new territories, but they were inevitably thwarted by Congress. There were also major efforts to expand U.S. trade to Latin America through the negotiation of reciprocal trade treaties and establishment of inter-American diplomatic conferences. The United States signed bilateral reciprocal trade agreements with six Latin American nations during the 1880s, but no real benefits accrued. The first Inter-American Conference met in Washington, D.C., in 1889. It resulted in little more than the airing of long-simmering grievances and mistrust.

### ADVENTURES IN LATIN AMERICA, 1888–1896

U.S. adventurism in Latin America in the last years of the nineteenth century stemmed from severe domestic economic and social problems, pervasive racism, and the country's growing stake in commerce and investment in the region. The United States experienced a deep depression from 1893 to 1898, the third such downturn in twenty-five

years (the others had occurred in 1873–1878 and 1882–1885). It became evident that the domestic market could not profitably absorb the rapidly growing output of U.S. agriculture and industry. U.S. leaders unanimously agreed that the answer to the problem was to expand foreign markets. The depression of 1893 created deep-seated social unrest as well, resulting in a series of bitter and bloody strikes. Businessmen and politicians alike feared that continued depression would lead to class warfare.

At the same time, U.S. capitalists increased their investment in Latin America. Paradoxically, despite the depression, U.S. banks had surplus funds to invest. Because investments in the United States were unattractive, the bankers turned to potentially more lucrative foreign enterprises. These investors poured millions of dollars into Cuban sugar and Mexican mining and railroads. By 1900 the U.S. stake in Mexico alone had reached \$500 million.

U.S. interest, however, was not limited to areas like Mexico and Cuba, where it already had large investments. The United States was willing to go to great lengths, even at the risk of war, both to protect potential markets and to reinforce its political dominance in the region. This was particularly true of the Caribbean, which leaders tended to view as an “American lake.” Thus, in 1888 the United States intervened in a civil war in Haiti to secure a favorable commercial agreement and a naval base at Môle St. Nicolas. The U.S. fleet actually broke a blockade to bring about the victory of the faction it favored. Once entrenched in power, however, this group reneged on its promises to the Harrison administration (1887–1893). Then Secretary of State James G. Blaine also tried unsuccessfully to obtain Samaná Bay from Santo Domingo.

Naturally, the same doctrines of white supremacy that sought to justify a domestic racial apartheid, the lynching of thousands of African Americans, disfranchisement of 8 million southern blacks, the “tribalization” of sovereign Native American nations, and the exclusion of Chinese immigrants also shaped U.S. relations with Latin America. U.S. policymakers increasingly came to share the view of Atlanta’s Henry Grady, an influ-

ential “New South” publisher, who argued that white supremacy reflected “the right of character, intelligence, and property to rule.” This, according to diplomatic historian Walter LaFeber, “anticipated some of the arguments Americans later used to justify their new foreign policies.”

As the depression of 1893 deepened, U.S. leaders looked southward with growing anxiety. President Grover Cleveland declared in his annual message to Congress in 1893 that unrest and European meddling had threatened U.S. interests in Nicaragua, Guatemala, Costa Rica, Honduras, and Brazil in 1892; the U.S. fleet was finding it difficult to keep up with its “responsibilities.” Markets desperately needed by the United States were threatened by disorders and competition from European nations, particularly Britain.

In 1894 the United States became involved in another revolution when it intervened in Brazil to protect a potentially important market and to check British influence there. The United States had signed a reciprocal trade agreement with the newly proclaimed republic of Brazil in 1891, but the rebels who rose up in 1893 opposed the pact. The main strategy of the rebel forces was to blockade the harbor of Rio de Janeiro, the nation’s principal city; they hoped to strangle the government by denying it the all-important customs revenue. The United States helped undermine this strategy by refusing to recognize the blockade. U.S. vessels unloaded their cargoes without interference.

Late in 1894, however, with clandestine aid from the British, the rebellion regained momentum. At this time, important mercantile and oil (Rockefeller) interests, fearing the loss of their Brazilian market, brought pressure on the State Department to intervene. The United States responded by sending most of the Atlantic fleet to the harbor of Rio de Janeiro. By maneuvering to prevent rebel bombardment of the capital, the U.S. warships played a crucial part in the defeat of the revolt.

Shortly thereafter, the United States intervened in Nicaragua to protect its rights to an isthmian canal and the substantial holdings of U.S. investors. In 1893 a nationalist government, headed by General José S. Zelaya, took power in Nicaragua; it threatened to cancel a concession granted by a

previous administration to the Maritime Canal Company to build a canal through Nicaraguan territory. Later, Zelaya also threatened the prosperous U.S.-run banana plantations in the indigenous Miskito reservation (an area claimed by Nicaragua but controlled by the British) by invading the reservation in 1894. In response, British troops landed and quickly subdued the Nicaraguan force. U.S. interests, with a \$2 million stake in the Miskito region, were unwilling to accept either British or Nicaraguan rule. To protect its property, the United States stationed two warships off the coast and in July dispatched marines to restore order. U.S. troops landed three more times, in 1896, 1898, and 1899, to protect U.S. lives and property.

### THE TURNING POINT: VENEZUELA, 1895–1896

The Venezuelan crisis of 1895–1896 ended in full British recognition of U.S. hegemony in the Western Hemisphere. The United States intervened in a boundary dispute between Venezuela and Great Britain that had festered for over half a century. The controversy concerned the region at the mouth of the Orinoco River, the major commercial artery for northern South America, which was claimed by both Venezuela and the British colony of Guiana (present-day Guyana). In the 1880s, Britain extended its claims, causing Venezuela to break off diplomatic relations.

During 1893 and 1894, the Venezuelan government, confronted with mounting economic difficulties and political unrest, appealed to the United States to help settle the controversy. President Cleveland's entrance into the dispute reflected his deep concern about the apparent resurgence of European intervention in Latin America. Between 1891 and 1895, the British had actively intervened in Chile, Brazil, and Nicaragua. The French had become involved in a dispute with Brazil over the boundary of their colony of Guiana and had threatened intervention in Santo Domingo to obtain satisfaction for the killing of a French citizen. The simultaneous scramble for territories in Africa magnified the threat; what the European rivals did on one continent, they could do on another. Specifically, President Cleveland feared that British

control of the mouth of the Orinoco would exclude U.S. commerce from northern South American markets.

In 1895, in an obvious effort to intensify U.S. support, the Venezuelan government granted a lucrative concession to a U.S. syndicate for the exploitation of rich mineral resources located in the disputed zone. In July 1895, Secretary of State Richard Olney spelled out the U.S. attitude toward European meddling in Latin America. Citing the Monroe Doctrine, he declared that the United States would intervene whenever the actions of a European power in the Western Hemisphere posed a "serious and direct menace to its own integrity and welfare." In effect, Olney claimed hegemony for the United States in Latin America.

The British initially responded to Olney's claims with disdain; the English foreign secretary denied the validity of the Monroe Doctrine in international law and brushed aside the U.S. assertion of supremacy in the Western Hemisphere. President Cleveland, however, firmly supported Olney's position and made it clear that the United States was willing to go to war to uphold it. Meanwhile, international developments worked to soften the British stand; the threat of a war with Germany and British problems in South Africa took precedence. Accordingly, in late 1896, the British agreed to submit the dispute to arbitration. The government of Venezuela neither participated in nor was informed of this agreement.

The Venezuelan affair marked the end of British military predominance in Latin America. Its attention now focused on the growing German power and the competition for territory in Africa, Britain could no longer commit substantial resources to the region. With the growing threat of a general war in Europe, British leaders also could not afford to alienate the United States, a powerful potential ally. Thus, the British formally recognized U.S. hegemony in Latin America with the signing of the Hay-Pauncefote Treaty of 1901, which allowed the United States unilaterally to build, control, and fortify an isthmian canal. In 1906, Britain withdrew its fleet from the Caribbean. Great Britain retained its predominant economic position in southern South America but

was fated to lose that also to the United States after World War I.

## An Imperial Power, 1898–1945

By 1898 the United States had emerged as an industrial, financial, and naval power. It surpassed Great Britain as the world's leading manufacturing state. Giant U.S. banks and corporations invested heavily overseas. Increasingly, the nation looked abroad for markets, raw materials, and profits. Recurring economic difficulties and mounting social unrest spurred U.S. leaders to seek solutions in overseas economic expansion and foreign adventures.

### THE WAR WITH SPAIN

The war with Spain in 1898 established the United States as a full-fledged imperial power. The primary goal of its Cuban policy during the 1890s was to protect the very large (over \$50 million) U.S. investment in the island by stopping the chronic political disorder there. When Spain proved unable to end the turmoil, and it appeared that ungovernable native rebels might take over, the United States intervened. In declaring war against Spain, the U.S. Congress pledged to free Cuba from Spanish tyranny and, in the Teller Resolution, disavowed any intention to annex the island. But to the dismay of Cuban rebels, the McKinley administration had opposed the Teller Amendment and defeated the Turpie-Foraker bill, which would have recognized the Cuban government-in-exile. The U.S. government proceeded to conduct the war and negotiate the peace without consulting the Cubans.

The United States occupied and ruled the island from 1898 to 1902, departing only after the Cubans agreed to include in their constitution the notorious Platt Amendment, which made the country a virtual U.S. colony. U.S. forces occupied the island three more times—1906 to 1909, 1912, and 1917 to 1922. As noted in Chapter 15, instead of bringing the Cubans liberty and economic progress, U.S. intervention promoted and perpetuated racism, corruption, violence, and economic stagnation.

### AN “AMERICAN LAKE”: THE “BIG STICK” AND “DOLLAR DIPLOMACY” IN THE CARIBBEAN

From 1898 to 1932, the United States intervened militarily in nine Caribbean nations a total of thirty-four times. Its occupation forces ran the governments of the Dominican Republic, Cuba, Nicaragua, Haiti, and Panama for long periods; Honduras, Mexico, Guatemala, and Costa Rica experienced shorter invasions. Military intervention was not the only method employed by the United States to control the region; other effective means included threats, nonrecognition, and economic sanctions.

The U.S. economic stake in the Caribbean was substantial. Moreover, the nature of this investment, which was concentrated primarily in agricultural commodities, mineral extraction, oil production, and government securities, made it particularly vulnerable to political disorders. From 1887 to 1914, U.S. investment in Cuba and the West Indies rose almost sevenfold, from \$50 million to \$336 million. Investment in Central America more than quadrupled, from \$21 million to \$93 million. By 1914, U.S. investment in Mexico had risen to over \$1 billion. In 1914, 43 percent of this investment was in mining, 18.7 percent in agriculture, and 10 percent in oil. An additional 13 percent was invested in railroads, which were built to transport export products to market. The owners of these enterprises often had considerable influence on U.S. policy.

The United States justified its actions in the Caribbean by the so-called Roosevelt Corollary (1904) to the Monroe Doctrine, so named because President Theodore Roosevelt maintained that the United States, as a “civilized” nation, had the right to end “chronic wrongdoing” and thus could intervene in the Caribbean to maintain order. The Roosevelt Corollary was a logical outgrowth of the increasingly aggressive policies successively advanced by Seward, Grant, Cleveland, and Olney.

### THE PANAMA CANAL

U.S. interest in a canal across Central America to join the Atlantic and Pacific oceans had intensified

as the nation filled out its continental boundaries and expanded its commercial activities throughout the Western Hemisphere. But the first to attempt to build a canal was Ferdinand de Lesseps, the Frenchman who had constructed the Suez Canal. He began a project to dig a sea-level canal across Panama in 1878. After eleven years of effort, de Lesseps, thwarted by tropical disease and engineering problems, gave up the project. Throughout this period, the United States pressured France to abandon the undertaking; it asserted its “rightful and long-established claim to priority on the American continent.” The growth of a large United States Navy, which had two coasts to defend, added to the urgency of constructing an isthmian passageway.

In the 1880s and 1890s, support grew for building a canal through Nicaragua. In 1901 a presidential commission endorsed the Nicaraguan route, despite the more favorable engineering and logistical characteristics of the Panamanian alternative, because the French company that controlled the canal concession in Panama wanted the fantastic sum of \$109 million for its rights. At this point, two extraordinary entrepreneurs, William N. Cromwell, an influential New York attorney, and Philippe Bunau-Varilla, chief engineer of the de Lesseps project and an organizer of the New Panama Canal Company (the French company that had rights to the canal), acted to change the course of U.S. policy. Cromwell, as lawyer for the canal company, bribed the Republican Party to end its support of the Nicaraguan route. He and Bunau-Varilla then convinced the company to lower the price for its concession to a more reasonable \$40 million.

The two men were faced with the problem of convincing the United States to purchase their company’s concession before it expired in 1904. In 1902, Bunau-Varilla and Cromwell managed to push through Congress the Spooner Amendment, which authorized President Roosevelt to buy the New Panama Canal Company’s rights for the asking price of \$40 million if he could negotiate a treaty with Colombia. In 1903, Secretary of State John Hay pressured the Colombian ambassador to the United States to sign a pact that gave the

United States a ninety-nine-year lease on a strip of land across the isthmus in return for \$10 million and an annual payment of \$250,000. The Colombian Senate, demanding more money, rejected the proposal.

In the meantime, Bunau-Varilla undertook to exploit the long tradition of Panamanian nationalism and rebelliousness for his own end. From the time that Colombia won its independence from Spain in 1821, it had never been able to establish its rule in Panama. During the nineteenth century, the Panamanians revolted fifty times against their Colombian masters. On two occasions, when the Panamanian rebels seemed near success (1855–1856 and 1885), the United States intervened militarily to protect its interests and end the revolts. After a terrible civil war (1899–1902) had severely weakened Colombia, Panamanian nationalists again prepared to rise in revolt. Working closely with the U.S. State Department and the Panamanians, Bunau-Varilla triggered a successful uprising in early November 1903. With the help of the United States Navy and bribes paid to the Colombian officers who were supposed to crush the revolt, Panama won its independence.

The Panamanians, to their own undoing, entrusted to Bunau-Varilla the subsequent negotiations with the United States over the canal concession. Feverishly working to complete the arrangements before the New Panama Canal Company’s rights expired, he produced a treaty that gave the United States control over a ten-mile-wide canal zone “as if it were a sovereign of the territory.” The United States was to have “in perpetuity the use, occupation, and control” of the zone. In return, the United States was to pay Panama \$10 million and assume a virtual protectorate over the new nation. The Panamanian government indignantly protested the terms of the agreement but eventually accepted the pact, fearing that the United States might either seize the canal with no compensation or build one in Nicaragua instead.

U.S. Marines were stationed in Panama from late 1903 until 1914 to protect U.S. interests while the canal was built, largely by black workers recruited from the West Indies. During this period,



### U.S. Interventions in the Caribbean and Central America, 1898–1945

the United States disbanded the Panamanian army and assumed the responsibility of defending Panama against any external threat. The United States established its own postal system, customhouses, and commissaries in the Canal Zone, privileges that seriously undermined the Panamanian economy and badly injured Panamanian pride. The canal was completed in 1914.

#### THE DOMINICAN REPUBLIC, HAITI, AND NICARAGUA

The United States occupied and administered the governments of the Dominican Republic (1916–1924), Haiti (1915–1934), and Nicaragua (1912–1925 and 1926–1933) to the detriment of

these nations' long-range political and economic development.

President Ulysses S. Grant had sought to annex the Dominican Republic (then known as Santo Domingo) in 1869; only rejection of the agreement by the United States Senate, influenced by fears of mingling with “people of the Latin race mixed with the Indian and African blood,” prevented him from acquiring the nation, which shares the island of Hispaniola with Haiti. In the decades that followed, a series of venal and brutal dictators, often supported by loans from U.S. banks, produced a debilitating cycle of repression and rebellion. In 1893 the Santo Domingo Improvement Company, a U.S. firm, purchased the country’s heavy foreign debt

in return for the right to collect its customs revenue. In both 1903 and 1904, the United States dispatched marines to protect the interests of the influential New York financiers who were principals in the company. In 1905 the U.S. government assumed the administration of Dominican customs.

But unrest persisted. In 1916, President Woodrow Wilson sent in Marines after the Dominican government refused to accept broader U.S. control over the nation's internal affairs, and the U.S. Navy maintained a military dictatorship until 1924. The Marines brutally repressed guerrilla activities that threatened U.S.-owned sugar plantations. In addition, several U.S. officers were subsequently court-martialed for the commission of atrocities.

The U.S. occupation forces attempted administrative and fiscal reforms and built some roads, but these projects were abandoned when the soldiers departed. One institution that remained intact after the occupation ended was the *Guardia Nacional*, the national police force. Rafael Trujillo, with U.S. support, rose through the ranks of the *Guardia* to become dictator of the Dominican Republic in 1928. His rapacious rule, extending over three decades (he was assassinated in 1961), was the bitter legacy of U.S. intervention.

Events in Haiti followed a similar course. For a century after winning independence from France in 1804, Haiti experienced ruinous political turmoil. Seizing the opportunity presented by the brutal murder of the Haitian president in 1915, Woodrow Wilson sent in Marines, ostensibly to prevent Germany from taking advantage of the chaos to establish a base on the island, which would endanger U.S. commerce and the access routes to the Panama Canal. A treaty signed the next year placed the United States in full control of the country. Although Haitians held public office, they served only at the pleasure of U.S. authorities. Here, too, U.S. troops committed atrocities while engaged in the suppression of rural guerrillas, and civil liberties were ignored. U.S. control lasted until 1934.

The United States also intervened in Nicaragua to protect the interests of U.S. companies operating there. The U.S. investment totaled only \$2.5 million, but the largest company, the United

States–Nicaraguan Concession, had considerable influence in the Taft administration (1909–1913); Secretary of State Philander C. Knox had been the company's legal counsel. In 1909, General José Zelaya, an old nemesis of the United States, canceled a concession to one U.S. company and threatened the Nicaraguan Concession. The same year, the United States backed a revolution that overthrew Zelaya. In 1912, at the request of the Nicaraguan government, President William Howard Taft sent in Marines to crush a new rebellion; the Marines remained for thirteen years. In 1916 the United States secured its monopolistic control over trans-isthmian canal rights by signing the Bryan-Chamorro Treaty with Nicaragua. President Calvin Coolidge withdrew U.S. troops for a short period in 1925 but dispatched them again to subdue yet another revolution the following year; the soldiers stayed until 1933.

## PUERTO RICO

The United States became a colonial power with the conquest and acquisition of the island of Puerto Rico in 1898 during the Spanish-American-Cuban War. From December 1898 until May 1900, U.S. military governors ruled the island. In 1900 the U.S. Congress passed the Foraker Act, which established a new civilian government for the island with a governor and an executive council appointed by the U.S. president. In 1917 this government was modified by replacing the executive council with an elected Senate. But the president maintained the power to veto legislation passed by the Puerto Rican Congress. The same year, the U.S. Congress granted Puerto Ricans U.S. citizenship to make them eligible for the military draft for World War I.

U.S. occupation cost Puerto Ricans dearly politically. At the time of the Spanish American War, the island had won a large degree of autonomy from Spain. The new colonial regime stripped that from them and ruled Puerto Rico with tactless, condescending mainlanders who had no experience in dealing with different cultures. When Puerto Ricans protested against unresponsive government, U.S. authorities reacted harshly. In

1909, for example, members of the Puerto Rican House of Delegates refused to pass the year's appropriation bill because of their objections to the indifference shown in the court system to struggling coffee growers. President Taft angrily demanded that the right of appropriations be taken from the House of Delegates, and the U.S. Congress enacted this legislation in the so-called Olmstead Amendment. Puerto Rico did not have a native-born governor until 1947 or an elected governor until 1948.

Puerto Rico also underwent drastic economic changes as a result of the U.S. occupation. In 1898 its leading crop, coffee, was exported to Europe. U.S. policies transformed the island into a monocrop sugar economy with landownership concentrated in very few hands, mostly absentee foreign corporations. Puerto Ricans became dependent on the U.S. sugar quota. The decline of sugar prices during the 1920s and their collapse during the Depression of the 1930s brought chronic economic problems. By 1929 near starvation prevailed in many parts of the island. New Deal agencies, such as the Puerto Rican Emergency Relief Administration and the Puerto Rican Reconstruction Administration, poured some \$230 million into the island from 1933 to 1941.

During the 1930s and for decades thereafter, the influence of two Puerto Ricans, Pedro Albizu Campos and Luis Muñoz Marín, dominated Puerto Rican politics. Harvard-educated Albizu became the foremost spokesman for independence. He formed the Nationalist Party and took an ardently anti-U.S. stand. He spent many years in prison for supporting violent confrontation with the island's colonial master. Muñoz Marín, whose father had led the Unionists in the early years of U.S. rule, was also educated in the United States. He did not live in Puerto Rico permanently until 1931. During the dark Depression days of the 1930s, Muñoz Marín became the star protégé of the New Deal.

The terrible plight of Puerto Rico during the Depression led to a reevaluation of its status by policymakers in the United States in the late 1930s. It was, as historian Arturo Morales Carrión has said, "a crisis of the whole colonial system." North

Americanization had brought the "rise of absentee landownership, the collapse of coffee culture, the migration to growing slums, and shocking poverty in rural areas." U.S. rule had been a "mixture of paternalism and neglect, self-righteousness and condescension." The U.S. administrators of the island reacted harshly to such criticism and to nationalist protests. In March 1937, during a parade of the Nationalist Party in San Juan, police killed seventeen protesters in an unprovoked attack. In the crisis that followed in the aftermath of the massacre, old political coalitions realigned and Muñoz Marín emerged as the leading political figure. Based on his grassroots organization in the countryside, Muñoz Marín's Popular Democratic Party (PPD) rose meteorically, sweeping elections from 1944 until 1968. With help from Washington, he was able to lead Puerto Rico into a new era of industrialization and economic expansion.

Characteristic of Puerto Rican development was its dependence on the U.S. economy. North American corporations effectively monopolized the key sectors of banking, transport, tourism, and high-tech industrialization. This discouraged native capital formation. For North American corporations, however, the combination of low wages and tax breaks proved a bonanza, with profits in the range of \$10 billion a year.

The combination of economic, political, and legal dependency adversely affected Puerto Rican political culture, breeding a colonial psychology that made dependency appear a natural condition and independence an impossible dream. Accurately summarizing the island's colonial legal status since 1898, Attorney General Richard Thornburg declared that "the Congress of the United States holds full powers over Puerto Rico, a relationship that Puerto Ricans are incapable of altering. . . ." He went on to say that this relationship remained inalterable until changed by an amendment to the U.S. Constitution.

### THE MEXICAN REVOLUTION

We have already discussed some aspects of U.S. policy toward the Mexican Revolution (1910–

1920) in Chapter 12. That policy was directed above all at safeguarding the vast U.S. investment below the border and securing the favorable political and economic climate required by U.S. interests in Mexico. The specific policies and tactics employed by the administrations of Presidents Taft and Wilson varied with the shifting conditions in Mexico, political pressures in the United States, and the changing international background. The United States twice resorted to military intervention in Mexico. In 1914, U.S. Marines occupied the gulf ports of Veracruz and Tampico in an effort to bring down General Victoriano Huerta, considered too friendly to British and German investors. The second intervention, General John J. Pershing's incursion into northern Mexico in 1916 in pursuit of Pancho Villa, aimed to pressure the regime of Venustiano Carranza to disavow allegedly radical constitutional constraints on foreign investment.

The United States exerted more decisive influence on the military course of the revolution by regulating the flow of arms and munitions across the United States–Mexican border. Through selective application of its neutrality laws, the U.S. government prevented “undesirable” factions from instigating disruptive activities on the U.S. side of the border. Woodrow Wilson introduced a new tactic in U.S. relations with Mexico by announcing that he would withhold recognition of governments that did not measure up to his standard of “morality.” Wilson used this ploy against Huerta, Carranza, and Obregón.

U.S. efforts to control the course of the revolution were diluted by stubborn resistance on the part of nationalist Mexican leaders like Carranza, divisions among U.S. investors in Mexico—some favoring and others opposing military intervention—and finally, growing involvement of the United States in World War I. Its entry into the war in 1917 sharply limited policy alternatives because the country lacked the military resources to fight in both Mexico and Europe. The threat of a Mexican alliance with Germany—a threat strongly posed by the famous Zimmerman telegram—forced the United States to adopt a more moderate policy toward its neighbor.

### **QUIET IMPERIALISM: THE GOOD NEIGHBOR IN WORDS AND ACTION, 1921–1945**

U.S. investment in Latin America grew rapidly in the period between 1914 and 1929. The world war enabled U.S. entrepreneurs to buy up much of the large British and German investment in the region. Total U.S. investment in Cuba and the West Indies, for example, rose from \$336 million in 1914 to \$1.2 billion in 1929—nearly a four-fold increase. U.S. capital in Central America more than tripled, while investment in South America increased eightfold. In 1929 total U.S. investment in Latin America had reached the staggering sum of \$5.4 billion, or 35 percent of all U.S. foreign investment.

Much of the new investment went into oil: U.S. companies channeled \$235 million to Venezuela, \$134 million to Colombia, \$120 million to Mexico, and \$50 million to Peru for oil exploration and production. Another \$163 million went to manufacturing enterprises in South America. U.S. companies also invested heavily in Chilean copper and nitrate, Argentine beef, and Cuban sugar.

This period marked the full-fledged involvement of large U.S. corporations, later called multinationals, in Latin America. Such giants as Standard Oil of New Jersey, the American Smelting and Refining Company, International Telephone and Telegraph, American Foreign Power, and Armour established or added to their vast stake in the region.

The basic goal of U.S. policy in Latin America did not change during the postwar period; it remained the protection of U.S. economic interests. But public opinion and realism dictated modifications. U.S. citizens were weary of overseas adventures and crusades. The United States remained dominant in the Caribbean, exerting decisive influence in the affairs of Mexico and Cuba and continuing to occupy the Dominican Republic, Haiti, and Nicaragua during the 1920s, but there was growing opposition to the old-style imperialism.

Makers of foreign policy in the United States also realized that growing popular hostility to U.S. policy in Latin America, primarily a response to

U.S. actions in the Caribbean, posed a serious long-term danger to U.S. economic interests. An early sign of a shift in U.S. policy came in 1921, when the Colombian government threatened to cancel the concessions of U.S. companies to explore and drill for oil. The United States responded by paying Colombia \$25 million to compensate for the loss of Panama. This had a dual meaning: it served to protect U.S. economic interests, and it symbolized a less aggressive policy toward Latin America. The shift in U.S. tactics became even clearer when the United States removed its troops from Cuba in 1922, from the Dominican Republic in 1924, and from Nicaragua in 1925. Despite these actions, the United States encountered bitter criticism of its role in the hemisphere at the Pan-American conferences in Santiago in 1923 and Havana in 1928.

The most important indication that the United States had largely abandoned military intervention as a major tactic was its restraint in dealing with Mexico, the biggest trouble spot in the hemisphere during the 1920s. The Mexican constitution of 1917 was a most radical document by contemporary standards. The constitution's provisions on landownership and ownership of subsoil rights seriously endangered U.S. investments. U.S. oil companies, in particular, objected to the new laws, which sought to reclaim statutory control of Mexico's rich natural resources even as they confirmed foreign usufruct rights.

Throughout the 1920s, the United States and Mexico haggled over application of the constitution, but the basic disagreement inflamed relations until World War II. The United States did not intervene militarily to protect the very large U.S. investments in Mexico because three circumstances discouraged such action. First, public opinion opposed further foreign adventures. Second, a military invasion would have been prohibitively costly in terms of both manpower and finances. And third, U.S. entrepreneurs with interests in Mexico disagreed sharply over the proper course of action. The oil companies, which were most threatened by the constitution, favored intervention. The banks and mining companies, whose interests would have been in greater danger in the event of war between the United States and Mex-

ico, opposed intervention. The controversy abated during the late 1920s, after the U.S. government conceded that Mexico's nationalist regulations did not threaten the oil companies' right to profit from oil production.

President Herbert Hoover and Secretary of State Henry L. Stimson continued to shift toward moderation and stepped up U.S. efforts to win goodwill in Latin America. Hoover abandoned Wilson's policy of denying recognition to "unworthy" governments. The Clark memorandum, a milestone in Hoover's efforts, declared that the Roosevelt Corollary had no support in the Monroe Doctrine; consequently, the United States would no longer interfere militarily in the internal affairs of Latin American nations under the provisions of the doctrine. But the president carefully refrained from rejecting intervention outright. In 1933 he withdrew U.S. troops from Nicaragua and would have removed them from Haiti as well had the Haitians not objected to the withdrawal terms.

Building on these experiences, Franklin D. Roosevelt assumed the presidency in 1933 and, officially proclaiming the United States to be a "good neighbor" to the rest of the world, he rejected "interference in the internal affairs of other nations." The following year, the United States abrogated the Platt Amendment, thus abandoning its protectorate over Cuba; the same year, it withdrew its occupation troops from Haiti.

The nonintervention policy was soon put to the test in Cuba. In 1933 political unrest there threatened the substantial U.S. investment on the island. Roosevelt dispatched Sumner Welles to Havana to try to arrange an accommodation between dictator Gerardo Machado and his opponents. After several months of unsuccessful negotiations, Machado fled, and power fell into the hands of a disorganized and disunited junta. Eventually, Dr. Ramón Grau San Martín emerged as leader of the government. He quickly fell into disfavor with the United States when he suspended loan repayments to a large New York bank and seized two U.S.-owned sugar mills. As a result, the United States refused to recognize the Grau government. With U.S. warships lingering in Havana harbor, Grau was forced to relinquish his leader-

ship. Supported by the United States, Fulgencio Batista emerged as the strongman of Cuba. Despite the protestations of the United States to the contrary, it was evident that it had not entirely abandoned the “big stick.”

Nonintervention was tested again in Mexico in 1938. The long dispute between the Mexican government and the oil companies culminated in the expropriation of foreign oil holdings when the oil companies defied an order of the Mexican Supreme Court in a labor dispute. While the oil companies clamored for reprisal, Roosevelt tried to settle matters peacefully. In the face of isolationist sentiment in the United States, intervention was unthinkable. Moreover, with war in Europe on the horizon, the United States did not want to endanger an important source of oil. A settlement was eventually reached during the 1940s.

Roosevelt’s “good neighbor” policy toward Latin America also involved efforts to achieve reciprocal trade agreements as a means of increasing U.S. trade and influence in the area. Secretary of State Cordell Hull ardently supported such agreements, believing they would help the United States emerge from the Great Depression. From 1934 to 1941, Hull succeeded in signing reciprocal trade treaties with fifteen Latin American nations. Had those treaties succeeded in significantly increasing U.S. trade, which they did not, they would have adversely affected Latin America’s nascent industrialization, which was critically dependent on protective tariffs for its survival. In this area, therefore, United States policy was in direct conflict with the goal of Latin American economic development.

In the 1930s the United States grew increasingly concerned over the spread of German economic and political influence in Latin America. In response to this, the United States pushed for closer cooperation among the nations of the Western Hemisphere by promoting a series of meetings to consider common problems. The participants in successive inter-American conferences agreed to consult in the event of war among themselves or outside the hemisphere, approved a joint declaration of neutrality, proclaimed the existence of a safety zone around the hemisphere and warned belligerents not to wage war within it, and agreed

to administer French and Dutch colonies in the Western Hemisphere in the event they were in danger of Nazi takeover. They also proclaimed that an attack on any of the conferring nations would be construed as an attack on all. In early 1942, shortly after the Japanese attack on Pearl Harbor, the conferees agreed to cooperate against the Axis; most Latin American nations severed diplomatic relations with the Axis powers. Every Latin American country but Argentina contributed to the Allied war effort.

The war strengthened the economic links between the United States and Latin America. The United States served as the sole market for the region’s exports and the only supplier of its requirements of arms, munitions, industrial equipment, and manufactured goods. A growing proportion of U.S. capital went into manufacturing enterprises instead of raw material extraction. By the end of the war, Argentina accounted for 16 percent of U.S. investment in Latin America, Chile 16 percent, Brazil 13 percent, and Peru 4 percent. For the first time, South America accounted for over half the total U.S. investment in Latin America.

## Defending the Empire and Capitalism, 1945–1981

In the postwar era, four factors determined United States–Latin American relations: the need for the United States to protect U.S. interests in the region, its broader efforts to construct global markets open to trade and investment, the desire of Latin American nations to industrialize and diversify their economies, and the rivalry between the United States and the Soviet Union.

### INVESTMENT AND TRADE

Several important trends characterized U.S. investment in and trade with Latin America after World War II. First, the amount of investment increased enormously. Furthermore, the type of investment changed from mostly extractive industries, such as mining and oil, to manufacturing. Also, this investment became concentrated in the hands of a

few large corporations and banks. Last, although the amount of U.S. trade with Latin America grew substantially, the relative importance of this trade to the economies of the United States and individual Latin American nations decreased.

All these trends did not mean that the United States had changed its policies. Its leaders continued to base their decisions on U.S. economic interests in the region, as trade and investment represented huge sums, despite declining importance. Accordingly, the editors of *Fortune*, an influential voice of corporate America, urged postwar U.S. leaders to “to organize the economic resources of the world so as to make possible a return to the system of free enterprise in every country. . . .” Policymakers like then–Assistant Secretary of State Dean Acheson, himself a corporate lawyer, shared this worldview; fearing a replay of the Great Depression, he conceded in 1944 that “it is a problem of markets. The important thing is markets. We have got to see that what the country produces is used and sold under financial arrangements which make its production possible. . . . You must look to foreign markets.” Thus, every overt or covert U.S. intervention in Latin America during this period—in Guatemala, Cuba, the Dominican Republic, and Chile, for example—took place in countries where the security of large U.S. investments appeared to have been endangered. Moreover, each of these countries challenged the U.S. vision of a global open-door system.

### POST–WORLD WAR II ADJUSTMENTS

Despite the high degree of wartime cooperation, sharp differences between the United States and Latin America surfaced in the immediate postwar years. These disagreements emerged initially at the Chapultepec Conference in February 1945. Latin American leaders felt they should be rewarded for their contributions and sacrifices during the war. The United States, however, regarded European recovery as its first priority. There were also major disagreements over trade, industrialization, the overall direction of Latin American economic development, and the role of the United States in this development. The United States insisted on an

open door to Latin American markets and investment opportunities, but it was unwilling to make any concessions that might injure its own producers. Latin Americans, however, feared that such free access to Latin American markets would destroy much of the industrial progress the region had made in the preceding two decades.

U.S. and Latin American interests were clearly opposed. The major Latin American obstacle to U.S. objectives was the region’s nationalism: contrary to the open-door philosophy, according to the State Department’s Office of Intelligence Research, in Latin America “the idea that the government has direct responsibility for the welfare of the people has resulted in a phenomenal growth of social and economic legislation designed to protect labor, distribute land more widely . . . and increase opportunities for education.” Whereas U.S. leaders regarded private capital investment and free trade as the best routes to development, Latin American nations favored a massive government role in industrialization and restrictions on foreign trade and investment as the only means of modernizing and regaining control over their economies.

After the war, Latin America vainly sought help from the United States to finance industrialization and access to U.S.-manufactured goods, especially capital equipment needed to further industrialization. These efforts were hindered further in the next few years as high prices for manufactured products dissipated the dollar reserves Latin American nations had accumulated during the war; declining prices for raw materials eroded Latin America’s terms of trade even further.

Moreover, evidence was mounting that the United States had reverted to its traditional disregard for Latin American sensitivities and to intervention in the internal affairs of nations of the region. In 1946 the United States interfered in the internal political affairs of three South American nations. It meddled disastrously in the Argentine presidential campaign of that year, ensuring the election of Juan Perón; it forced the González Videla government in Chile to oust the Communist members of its coalition cabinet; and it helped undermine a revolutionary regime in Bolivia that had been accused of fascist tendencies.

## THE COLD WAR

Alarm in the United States over the vast expansion of communist influence in Eastern and Central Europe as a result of World War II, the communist victory in the Chinese civil war, and the gains of Communist parties in Western Europe had the effect of pushing Latin America to the back burner. In this initial stage of the cold war, which lasted into the 1950s, the United States focused its attention on checking the further spread of communism in Western Europe and Asia by aiding the revival of the shattered capitalist economy.

During this first stage of the cold war, U.S. leaders tended to view the world as two camps, one committed to the United States and its free enterprise system and the other loyal to communism. Since it regarded the world in such black-and-white terms, the United States viewed with implacable hostility governments and movements that disagreed with its policy or attempted to institute structural social and economic reforms. On two occasions, in Guatemala and Iran, the United States helped topple such governments through the subversive activities of the CIA.

A second stage of the cold war began in the mid-1950s, when a “Third World” emerged, made up of the many newly independent states of Africa and Asia, which proclaimed themselves unaligned in the struggle between the blocs led by the Soviet Union and the United States. The two superpowers, faced with the unacceptable consequences of nuclear war, fought out the cold war in the Third World. In this second stage, the United States became intensely concerned with Latin America, especially after the 1959 Cuban Revolution led to the establishment of the first socialist state in the Americas. U.S. preoccupation with the threat of more Cubas in the hemisphere produced the Alliance for Progress as an alternative to the Cuban model.

Equally important, however, was the use of military aid to shape the internal policies of recalcitrant Latin American nations. The Military Defense Assistance Act of 1951 appropriated an initial \$38.5 million to finance the build-up of Latin American armies for “country missions”—that is,

internal security rather than global or regional defense. This expanded under successive U.S. presidential administrations such that immediate postwar U.S. military aid amounted to more than half a billion dollars for the circum-Caribbean area alone and included paying for the training of thousands of Latin American military officers. By 1954 this policy had borne substantial fruit: thirteen of twenty countries were ruled by pro-U.S. military dictatorships.

The third stage of the cold war followed the disastrous U.S. experience in Vietnam and lasted until Ronald Reagan took office as president in 1981. Losing the Vietnam War and its tragic cost brought home to the U.S. government and its people the limitations of U.S. power and the dangers involved in trying to prevent social revolutions. Nonetheless, the United States remained determined to maintain its hegemony in the Western Hemisphere and to achieve its goals adapted its methods to suit new conditions.

A fourth stage of the cold war brought to the late 1980s the renewal of provocative anticommunist rhetoric, the simplistic 1950s division of the world into “them” and “us,” the return to using force as a policy tool, and a revival of illegal, covert activities. The collapse of the Stalinist-type communist regimes in eastern and central Europe and the resulting demise of the cold war created a problem for the military-industrial complex that had flourished in the cold war’s protective shadow and for U.S. Latin American policy by depriving it of its traditional enemy, “international communism.” In the 1990s the drug trafficker replaced that traditional enemy as a convenient pretext for intervention in Latin America. After the September 11, 2001, terrorist attacks on the Pentagon and World Trade Center, the “war on terrorism” replaced drugs.

## THE LATIN AMERICAN POLICIES OF TRUMAN AND EISENHOWER

The Truman administration (1945–1953) focused its attention on fighting communism in Europe and the Far East. But, as we have seen, it meddled with mixed success in the political affairs of Chile,

Bolivia, and Argentina in 1946. Under Truman, the movement for hemispheric cooperation continued, at least outwardly. The Rio Treaty of 1947 brought Central and South America into a military alliance with the United States. The ninth International Conference of American States, held in Bogotá the following year, resulted in the formation of the Organization of American States (OAS). The OAS was to provide collective security, with an attack against one member being viewed as an attack on all. The OAS also was to be a mediator in disputes between members. Truman and his chief advisers were primarily concerned with maintaining the status quo in the region.

The Eisenhower presidency (1953–1961) marked a revival of strong corporate influence in U.S. foreign policy. Eisenhower took office in the middle of the Korean war and at the height of the McCarthy “Red Scare.” His administration, particularly the fanatical anticommunist secretary of state, John Foster Dulles, divided the world into two categories: nations that supported the United States and those that did not. Any foreign government that restricted the activities of U.S. corporations under its jurisdiction was adjudged to be communist and a threat to the security of the United States. During his two terms, Eisenhower faced four challenges of this kind in Latin America: Bolivia, British Guiana, Guatemala, and Cuba. In each case, his administration reacted according to the scale of the U.S. economic interests involved and the prevailing domestic and international conditions.

In Bolivia in 1952, a successful revolution headed by Victor Paz Estenssoro and the National Revolutionary Movement (MNR) ushered in sweeping economic and political reforms. In its first year, the new government nationalized the nation’s tin mines, wiped out the latifundio system, replaced the old army with workers’ and peasants’ militias, and greatly increased the number of eligible voters. The outgoing Truman administration, anxious over the radicalism of the regime, withheld recognition and aid from Bolivia. The middle-class leadership of the MNR eventually managed to convince the Eisenhower administration that

it was not communist; as a result, Bolivia received millions of dollars in grants and loans and substantial technical assistance over the next decade. U.S. aid had a significant moderating influence on the MNR reform program. Indeed, U.S. assistance decisively altered the whole course of Bolivian development; the United States reestablished, equipped, and trained the Bolivian army, which overthrew Paz Estenssoro in 1964, ushering in a period of conservative rule that continued almost uninterrupted until 1981.

The United States employed different tactics to achieve the same general results, to adjust to the differing conditions of another Latin American country. In 1953, Marxist Cheddi Jagan was elected on a program of structural reform to head the government of the British colony of Guiana, an important source of bauxite and other metals. Several large U.S. companies, including Reynolds Metals and Kennecott Copper, had substantial holdings in the colony. Alarmed at the prospect of nationalization of these holdings by a Marxist regime, the United States urged the British to nullify the election; the British government duly sent troops to Guiana and deposed the new government.

The Eisenhower administration employed yet other tactics in Guatemala in 1954: conspiring to overthrow a democratically elected government whose reforms threatened the interests of a large and influential U.S. corporation. In 1944 a revolution toppled the oppressive regime of Jorge Ubico, who had ruled Guatemala since 1931. The victorious middle-class revolutionaries favored a capitalist course of development and were friendly to the United States. However, the reform programs of Presidents Juan José Arévalo (1945–1951) and Jacobo Arbenz (1951–1954) provoked the hostility of the United Fruit Company (UFCO) and Dulles. UFCO had operated in Guatemala since the 1890s, when it acquired a virtual monopoly on banana production and distribution. It was Guatemala’s largest employer, with ten thousand workers, and its largest landowner. The company also controlled the nation’s main transportation artery, the International Railways of Central America (IRCA), and major port facilities on the Gulf of Mexico.



The United Fruit Company allowed an exile mercenary force, trained, equipped, and financed by the CIA, to use this Puerto Barrios Hiring Hall as a staging area for an invasion that pressured the Guatemalan Army to overthrow Jacobo Arbenz, the democratically elected populist who had favored land and labor reform. [AFP/Getty Images]

The Guatemalan government clashed with UFCO over labor and land reform. Arévalo enacted a new labor code in 1947. The company, charging that it was being discriminated against, protested sharply. The ensuing labor agitation severely hampered banana production for several years. In 1952 the Guatemalan Congress enacted a land reform program, expropriating large tracts of uncultivated land for distribution among landless peasants. Again, UFCO charged the government with discrimination.

Unfortunately for the Guatemalan government, UFCO enjoyed great influence with the U.S. government. It was a client of Dulles's law firm. Also, the company's headquarters were in Bos-

ton, which made it a constituent of three of the most powerful men in the U.S. Congress: Senator Henry Cabot Lodge, Speaker of the House Joseph Martin, and Democratic Party leader John McCormack. What was more, the family of the assistant secretary of state in charge of Guatemalan relations, John Moors Cabot, was a major stockholder in United Fruit.

Seizing on allegations of communist participation in the Arbenz government to justify its actions, the United States trained and outfitted a rebel group under the command of Carlos Castillo Armas. Castillo Armas invaded Guatemala through UFCO property and overthrew Arbenz in June 1954. His repressive regime, which lasted until

his assassination in 1957, erased all of the post-war reforms and restored UFCO's privileges.

### THE CUBAN REVOLUTION AND UNITED STATES–LATIN AMERICAN RELATIONS

Eisenhower's successful interventions in Bolivia, British Guiana, and Guatemala produced bitter criticism of the United States in Latin America and contributed to the hostile and violent reception accorded Vice President Richard Nixon on his tour of the region in 1958. No major change in policy, however, occurred until the victory of Fidel Castro in Cuba in 1959.

The United States, a steadfast supporter of Batista's cruel dictatorship, consistently had opposed Castro's revolutionary movement and later embarked on a two-pronged program designed to destroy his government. To avert new Cubas, U.S. policymakers simultaneously sought to placate the rest of Latin America with various concessions. Meanwhile, they imposed economic sanctions on Cuba and began clandestinely to train an invasion force of Cuban exiles. To ensure Latin American backing, the United States committed limited funds to a new Social Trust Fund for the region and agreed to support plans for common markets in the area, such as the Latin American Free Trade Association (LAFTA) and the Central American Common Market, proposals which it had long opposed.

Under the new administration of John F. Kennedy, these economic reforms developed into a comprehensive plan for the region: the Alliance for Progress. The United States pledged to spend \$10 billion in the region over ten years to build badly needed transportation facilities and to buy technology and industrial equipment. In return, Latin American governments were to institute programs of social and political reform. The United States proposed to foster democracy and economic justice in Latin America through a program of incentives. To guard against more radical movements like the Castro-led guerrilla movement in Cuba, the U.S. government also undertook to strengthen the military forces of the region with arms and training.

The Alliance for Progress, however, brought neither economic development nor democracy to Latin America. In the first place, the program was not intended to be philanthropic but rather to foster capitalist, private-sector development and to expand U.S. trade and investments. Much aid to the region was in the form of loans that eventually had to be repaid. Moreover, aid money had to be used to buy U.S. products transported on U.S. ships; by eliminating competition, such restrictions reduced the developmental impact of aid. Although the U.S. government and private sources pumped \$10 billion into Latin America during the 1960s, more than that amount of capital flowed out from the area. Debt service payments ate up an increasing share of the budgets of Latin American nations, leaving little for social welfare expenditures and economic development. Often, these nations had to obtain new loans just to pay off their old debts. Unfortunately, too, a significant percentage of aid funds was dissipated through corruption and inefficiency.

U.S. support for the Latin American military was the most effective program of the Alliance. Officers from the region received the most modern training in counterinsurgency tactics against both rural and urban guerrillas and were indoctrinated in the U.S. worldview. Sophisticated torture techniques formed part of the curriculum. One indication of the thoroughness of the training was the success of U.S.-trained and equipped Bolivian rangers in hunting down Che Guevara and his comrades. The United States also urged Latin American military leaders to take a more positive role in their nations' development by participating in civic action programs in which military personnel built roads and other public facilities.

It was clear, however, that despite the Kennedy administration's avowed goal of helping Latin America "strike off the remaining bonds of poverty and ignorance," its major concern was to maintain friendly capitalist regimes in the region. Kennedy continued to interfere in the internal affairs of countries in the area, even after the debacle of the Bay of Pigs. In 1961 he attempted to destroy the regime of Cheddi Jagan in British Guiana for a

second time by refusing to grant much-needed aid and pressing the British to overturn the democratically elected premier. The CIA also helped subvert the Jagan government. Kennedy was involved in attempts to rid the Dominican Republic of Rafael Trujillo, and there are allegations that the CIA was responsible for the assassination of the dictator in 1961. In his zeal to get rid of Fidel Castro, Kennedy even planned to enlist the aid of the Mafia to liquidate the Cuban leader.

Like its predecessors, the Kennedy administration supported dictatorial regimes in Latin America when U.S. policymakers considered them the only alternative to disorder and possible revolution. In March 1962 the United States made no protest when the Argentine military overthrew the democratically elected President Arturo Frondizi. Four months later, the U.S.-trained and -equipped Peruvian army seized power to prevent a democratically elected president from taking office. For a time, the United States withheld recognition and cut off aid, but it soon reached an understanding with the military regime. Like its predecessors, the Kennedy administration preferred order, even at the expense of democracy.

President Lyndon Johnson carried on Kennedy's Latin American program, although he increasingly shifted the emphasis of U.S. policy from reform to the maintenance of order. Johnson was determined that he, unlike Kennedy, would not "lose" any nation in any part of the world to communism. In the Dominican Republic in 1965, Johnson faced a rebellion against a reactionary military regime that less than two years before had overthrown the nation's first democratically elected president. Johnson claimed that the United States had the right to intervene unilaterally in Latin America to prevent what he feared would be a Castro-like communist takeover. He dispatched the Marines to suppress the rebellion. Johnson was undoubtedly worried about another Cuba in the Dominican Republic, but considerable evidence exists to indicate that his administration's main concern was to ensure Dominican sugar production for several important U.S. firms. Not coincidentally, several of Johnson's key foreign policy advisers,

including Ellsworth Bunker and W. Averell Harriman, had close links to the sugar industry.

Under Johnson, the United States also played a major role in the military overthrow of the leftward-leaning regime of João Goulart in Brazil in 1964. Disapproving of Goulart's proposed "radical" reforms—which included a mild land reform and the grant of the vote to illiterates—the United States cut aid to Brazil to a minimum in 1963 and began to channel funds instead to pro-U.S. state governors. In April 1964 the Brazilian military toppled Goulart and instituted fifteen years of brutal, repressive dictatorship. The Johnson administration immediately recognized the new government. In the next five years, the United States poured more than \$1.5 billion in economic and military aid into Brazil, one-quarter of all U.S. aid to Latin America.

The lavish aid funneled to the Brazilian military helped persuade the Argentine military that they should overthrow the faltering regime of President Arturo Illia in June 1966. The United States gave the military government \$135 million in aid during the three years following the coup.

In political as well as socioeconomic terms, the results of the Alliance under Kennedy and Johnson were dismaying. When Kennedy took office, Alfredo Stroessner in Paraguay was the only dictator in power in South America. By 1968 military dictators ruled in Argentina, Brazil, and Peru, as well as in Paraguay. In Bolivia and Ecuador, civilian-elected governments served as figureheads for the military. In Central America, the record was worse. Rightist military coups overthrew democratically elected governments in Honduras, Guatemala, and El Salvador. The Somozas tightened their grip on Nicaragua. In 1968 a military coup ousted the elected president of Panama. More important, by every measure, the Alliance failed to stimulate economic development or rectify the immense economic and social inequalities of Latin America.

### THE VIETNAM ERA

From the late 1960s until 1981, the repercussions of the disastrous U.S. experience in Vietnam and

related developments produced readjustments in U.S. foreign policy toward its southern neighbors. But the main goal of this policy—to protect and expand North American economic interests and maintain capitalism as the dominant economic system in the region—remained constant.

In the aftermath of Vietnam, U.S. policymakers did not regard overt military intervention as a realistic option. They relied on such indirect methods as economic sanctions and subversion. The United States used these methods in Chile from 1970 to 1973 to undermine and ultimately to topple a democratically elected socialist government.

The story began in 1958, when the Socialist Salvador Allende narrowly missed victory in the Chilean presidential election. For the next fifteen years, the U.S. government poured millions of dollars into Chile, first to prevent Allende from winning subsequent elections, and then, after his election in 1970, to subvert his administration. The United States helped Eduardo Frei, a moderate reformer, win the presidency and thereafter sent an average of \$130 million a year in aid to Chile. Despite this enormous effort and the injection of more millions of dollars in the 1970 campaign, Allende was elected president in 1970.

The United States then tried to orchestrate a military coup d'état, but when it failed, Nixon imposed economic sanctions on the Allende government, cutting aid by 90 percent and denying credit. Meanwhile, the CIA cooperated with opposition groups to destabilize the Chilean economy. Amid growing economic difficulties and political turmoil, the Chilean military overthrew Allende in a bloody coup in September 1973. The United States promptly recognized the military junta and resumed aid and credit.

The U.S. economic stake in Chile, as we saw in Chapter 17, was large and concentrated primarily in copper mining. The first act of the Allende government, supported by the unanimous vote of the Chilean Congress, had been to expropriate the holdings of the U.S. copper companies without compensation. Later, it expropriated the International Telephone and Telegraph Company,

whose president enjoyed considerable influence in the Nixon administration. The United States intervened both to protect these investments and to teach a salutary lesson to other Latin American nations that might wish to construct a socialist society in the future.

Nixon also collaborated with brutal military regimes in Argentina and Brazil that organized an international terrorist network, later known as Operation Condor, designed to destroy leftist, antidictatorial political movements throughout South America. An early example of this cooperation developed in response to popular support for the *Frente Amplio* (Broad Front), a coalition of Socialists, Communists, and Christian Democrats, in the 1971 Uruguayan presidential elections. Determined to reduce “the threat of a political takeover by the Frente,” Nixon systematically cultivated Brazilian and Argentine military leaders and, in the words of a U.S. Embassy strategy paper, encouraged them to “collaborate effectively with the Uruguayan security forces” to harass Frente candidates and otherwise intervene in the election to secure their defeat. According to a declassified document recently published by the National Security Archive, Nixon himself told British Prime Minister Edward Heath that he knew “Brazil helped rig the Uruguayan elections.”

Nixon and his National Security Adviser Henry Kissinger especially identified with these dictators. After a series of personal meetings with Brazil's Garrastazu Médici, Nixon described him as a “strong” ruler who he wished “were running the whole continent.” Kissinger made clear his growing reliance on Brazil as a proxy for U.S. interests in the region. “In areas of mutual concern such as the situations in Uruguay and Bolivia,” Kissinger confided to Médici, referring to Brazilian involvement in a 1971 Bolivian coup, “close cooperation and parallel approaches can be very helpful for our common objectives.” But Kissinger also made clear his understanding that massive intervention in the internal affairs of sovereign nations, such as he and Médici were contemplating, would not endear them to Latin American people. “As Brazil plays a stronger leadership role,” Kissinger

lectured, "it may find itself in a position similar to that of the U.S.—respected and admired, but not liked."

### **CARTER'S LATIN AMERICAN POLICY: NATIONALISM, THE CANAL, AND HUMAN RIGHTS**

Assuming office in 1977, President Jimmy Carter proclaimed a "new approach" for U.S. foreign policy based on "a high regard for the individuality and sovereignty of each Latin American and Caribbean nation . . . our respect for human rights, . . . [and] our desire to press forward on the great issues which affect the relations between the developed and developing nations." He immediately put these principles into practice in two major initiatives: the reopening of negotiations with Panama over the canal and the beginning of talks with Cuba about normalization of relations.

Periodically since the signing of the original canal treaty, Panamanians violently protested the U.S. presence in the middle of their country; serious anti-U.S. riots erupted in 1931, 1947, 1959, and 1964. These riots occurred in times of economic hardship in Panama and remained a source of tension that Carter and General Omar Torrijos sought to remove. After four years of sometimes bitter negotiations, the United States and Panama agreed to a new treaty that gradually returned control of the Canal Zone to Panama by the year 2000. Although Panamanians were unhappy with a provision that gave the United States the right to intervene to maintain the operation of the canal, it was received with general satisfaction in Panama and throughout Latin America.

Negotiations with Cuba led eventually to the opening of United States and Cuban Interest Sections in Havana and Washington in September 1977. These initiatives were short-lived, however, for the two nations came into conflict early in 1978 over Cuba's extensive military involvement in Africa, particularly in Angola and Ethiopia. The Carter administration strenuously objected to the presence of thirty-five thousand Cuban troops in Africa and broke off further talks as a result. Relations worsened during 1980 as a consequence

of the exodus of 125,000 Cuban refugees to the United States.

Carter's pursuit of human rights proved to be the most controversial aspect of his foreign policy. He centered his attention on Chile, Argentina, and Brazil, the harshest practitioners of repression in the region. The United States instituted sanctions against all of these nations, ending or reducing economic and military aid and impeding their ability to obtain credit from international lending agencies. In the last two years of his term, as a result of stepped-up pressure from U.S. business and concern about growing communist influence in Central America, Carter backed off his human rights activism.

Nicaragua proved to be Carter's most difficult and pressing problem in Latin America. The growing insurrection of the Sandinista National Liberation Front, a broad coalition movement against the U.S.-backed dictator Anastasio Somoza, brought Nicaragua to crisis in 1978. Carter, worried about leftist elements in the Sandinista coalition, sought a more moderate alternative, proposing at one point that the Sandinistas include members of the hated National Guard in the postrevolution Nicaraguan government. Following the Sandinista victory in 1979, the United States offered economic aid to rebuild the nation devastated by civil war. After considerable debate, the U.S. Congress approved \$75 million, most of which was designed to support private sector businesses that opposed the Sandinista government.

### **The Return to "Gunboat Diplomacy," 1981–2003**

Ronald Reagan became president in 1981 and was determined to turn back "communism" in Latin America and reassert U.S. military power. In the process he openly courted repressive regimes in Argentina and Chile and committed substantial amounts of U.S. money and military advisers to the antiguerrilla war in Central America. During the next two decades, the U.S. decision to intervene militarily or to refrain from intervention revealed

traditional U.S. open-door objectives, perhaps most concisely articulated by John Hay in 1898: “a fair field and no favor.”

### GRENADA

On October 25, 1983, the United States invaded the tiny island nation of Grenada in the southern Caribbean to oust its allegedly communist, pro-Cuban government. The Reagan administration proclaimed the invasion its greatest triumph in Latin American policy.

In March 1979 the New Jewel Movement, led by Maurice Bishop, had overthrown the British and U.S.-backed dictatorship of Eric Gairy, who had dominated Grenadan politics since the early 1950s. Bishop’s program included a massive literacy campaign, the institution of free medical care, free secondary education, and extensive rehabilitation of housing. He regulated foreign investment and stressed agricultural independence, reducing Grenadan food imports. Bishop began to expand tourism, mainly by building a modern airport. The Reagan administration threatened repeatedly to intervene against the popular Bishop regime but finally invaded Grenada after a radical faction of Bishop’s own party had assassinated him.

The invasion of Grenada showed clearly that the United States was as willing as ever to use force to protect its perceived interests in the Caribbean. The action also conveyed the message—as did U.S. policies in Central America—that the United States opposed far-reaching economic and social reform in its “back yard.” Moreover, Grenada, like so many other “crises” in the region, was not seen as a nation struggling to overcome impoverishment but as part of a worldwide communist threat or at the very least as “another Cuba.”

### HAITI

The United States played a decisive role in the history of Haiti, the poorest country in Latin America and one of the poorest in the world. A long U.S. military occupation from 1915 to 1934 preserved the Haitian elite’s monopoly of property and reinforced

its dependence on coffee exports. The United States also trained a national army “specifically to fight Haitians.” This army imposed the rule of the sinister François “Papa Doc” Duvalier on Haiti in 1957. Duvalier in turn used the army to centralize power in his own hands to an unprecedented degree. He did not tolerate the existence of any independent institution; distrusting his own army, he organized two parallel paramilitary organizations: a much-feared militia and the even more dreaded secret police, the Tontons Macoutes. The United States may not have approved of his methods, but it supported him, and when he died in 1971, U.S. Ambassador Clinton Knox personally supervised the transition to the rule of the dictator’s son, eighteen-year-old Jean-Claude Duvalier.

The predatory, repressive rule of the Duvaliers aggravated all of Haiti’s economic and social problems. The ruin of Haitian agriculture as a result of long misuse of the land and the exactions of the regime caused many thousands of impoverished peasants to flock into the urban centers, especially the shantytowns of Port-au-Prince and its environs, where between 1.2 and 1.8 million people endured unspeakable conditions. Workers’ families usually ate only one meal a day, consisting of cornmeal with onions or boiled plantains with beans.

Acting on U.S. advice, Jean-Claude Duvalier tried to promote economic growth by using this vast underclass to establish export-assembly industries, subcontracted to U.S. firms. But this program did not diminish the immense inequalities of Haitian society or the growing anger of the masses. In 1986 an explosion of urban rioting forced Jean-Claude to depart from Haiti; he was whisked away to a luxurious exile in a jet provided by the Reagan administration. The U.S. Agency for International Development (USAID), meanwhile, continued to promote Haiti as a low-wage haven for U.S. firms, expending \$100 million in the effort. A delegation of U.S. trade-union leaders, visiting a “model” apparel factory in Haiti’s export-assembly sector in 1991, found that the highest-paid workers received the equivalent of \$1.47 a day. After paying for transportation and a meager breakfast and lunch, they had 71 cents to take home.

Jean-Claude Duvalier's departure created a political vacuum that U.S. policymakers rushed to fill. They supported Marc Bazin, linked to export-assembly industries and agribusinesses, and opposed Jean-Bertrand Aristide, a populist priest influenced by liberation theology. Aristide represented grassroots worker, peasant, and student organizations. He supported a massive literacy campaign, land reform, defense of national industries, and an end to Duvalierist violence and corruption. His program included price controls on basic foodstuffs and raising the minimum hourly wage to fifty cents. Despite U.S. support and a \$36 million campaign, Bazin lost to Aristide, who received 67 percent of the vote. But he held power for only eight months; in September 1991 a military coup headed by Lieutenant General Raoul Cédras forced him into exile. The coup unleashed a reign of terror in Haiti, claiming thousands of lives and causing a flood of refugees.

The Bush administration's response to the coup was marked by an ambiguity reflecting the contradictions of U.S. foreign policy. The United States rhetorically claimed to support constitutionally elected civilian regimes like Aristide's, but Aristide's anti-imperialism and opposition to neoliberalism contradicted basic U.S. foreign policy objectives. President Bush denounced the coup and said he wanted Aristide's return to power. But this pro-Aristide rhetoric was contradicted by a policy of limiting sanctions against the coup leaders to a "porous" embargo easily breached by exporters and importers and of permitting open attacks against Aristide by a State Department-driven media campaign and CIA leaks casting doubt on his mental stability. The U.S. government also pressured him to moderate his positions and strike a deal with the coup leaders.

President Clinton continued Bush's Haitian policy, virtually unchanged, when he took office in January 1993. He forced Aristide to negotiate with the coup leaders and sought to impose conditions that would leave Aristide powerless to carry out his program, once returned to power. This was the essence of the 1993 Governors Island Accord, which called for the military rulers to resign, with



The role for former president Jimmy Carter, shown here with the Haitian president Jean-Bertrand Aristide, in negotiating the accord with the military junta that restored Aristide to office in October 1994, displeased many Haitians who believed the accord was too favorable to the military and seriously abrogated Aristide's power. [AP/Wide World Photos]

the promise of amnesty, and for Aristide to return to power under the control of U.N. monitors and "peacekeeping" forces, an arrangement vehemently opposed by Haitian popular organizations.

Aristide's return to Haiti in October 1994 was greeted with joyful demonstrations by his adoring followers, but he clearly was no longer his own man; on issue after issue, his U.S. military and political advisers forced him to back down. For example, Aristide wanted to fire the entire army high command and supervise the formation of a new army and police within his government, but the U.S. military vetoed his plan. The new "professionalized" army and police would be "retrained," and "candidates" for "professionalization" would

be drawn largely from the old armed forces, many of the officers and specialists of which had been trained at the notorious School of the Americas at Ft. Benning, Georgia.

Under U.S. pressure, Aristide also scrapped his nationalist program for reviving Haiti's state industries and accepted a plan of neoliberal "structural readjustment" for the economy, which required the sale of those industries to private capitalists, both Haitian and U.S. According to Allan Nairn, this plan included commitments from Haiti "to eliminate the jobs of half of its civil servants, massively privatize public services, 'drastically' slash tariffs and import restrictions, eschew price and foreign exchange controls, grant 'emergency' aid to the export sector, enforce an 'open foreign investment policy,' . . . 'limit the scope of state activity' and regulation, . . . and diminish the power of Aristide's executive branch in favor of the more conservative Parliament." In return, Haiti would receive \$700 million in financial aid, but \$80 million of this would immediately go to pay the debt accrued to foreign bankers in the three years since the coup.

Ordinary Haitians were surprised at what had happened to their idol. The Aristide they elected came to power as the representative of a massive grassroots movement, calling itself the *lavalas* (flood), that proposed to attack the country's fundamental social problems and end the traditional monopoly of power by a repressive military allied with a corrupt merchant bourgeoisie and U.S. economic interests. The new Aristide appeared to have cut a deal with the World Bank and the IMF that sacrificed the popular welfare in exchange for \$700 million in aid. Chevannes Jean-Baptiste, leader of Haiti's largest peasant organization, had already warned against premature celebration of Aristide's return in the wake of the U.S. invasion: "Don't celebrate and think that the U.S. army is here to liberate us. Only Haitians can free Haiti!"

### CENTRAL AMERICA

Ronald Reagan's campaigns against the revolutionary Sandinista regime in Nicaragua and the Farabundo Martí National Liberation Front (FMLN)

in El Salvador took on all the characteristics of a holy crusade against communist forces in Central America. Reagan opposed the nationalistic efforts of both groups to use state power to regulate private property and foreign trade to benefit the nation's poor peasants and urban workers. He sought to overthrow the Sandinistas, employing tactics that included economic sanctions, a campaign of public misinformation, support of rightist counter-revolutionary armies (the *contras*), and covert terrorist operations aided by the CIA.

One of Reagan's first official acts in 1981 was to cut off the last \$15 million in aid appropriated by Congress at President Carter's request. More severe economic sanctions followed. By the end of 1985, the United States had effectively foreclosed any possibility of the Sandinistas obtaining loans from any of the major international lending agencies, such as the World Bank or the Inter-American Development Bank. The U.S. government closed Nicaragua's consulates and even forbade the Nicaraguan airline from landing in the United States. The misinformation campaign included unproven allegations against the Sandinistas of running arms to El Salvador, smuggling illegal drugs, and training terrorists.

By far the most damaging U.S. policy against the Sandinistas was support of the armed opposition to the Nicaraguan government. Predominantly led by ex-Somocista National Guardsmen, the *contras* were the 1979 creation of the CIA, which recruited ex-guardsmen Enrique Bermúdez as their leader. In Reagan's first year in office, he secretly funneled \$40 million to support these counterrevolutionaries. The CIA forged the Nicaraguan Democratic Force in late 1981, temporarily unifying the *contra* factions.

Frustrated with Reagan's policy, the U.S. Congress passed the so-called Boland Amendment, which forbade the use of funds to overthrow the Sandinistas; this legislation was in effect from December 1982 until December 1983, but the Reagan administration, in violation of the law, continued to provide covert support. In early 1984 the CIA mined Nicaraguan harbors and staged several helicopter attacks inside Nicaragua. Later that year, a CIA manual became public that ad-

vised the contras to employ terrorist tactics, including assassinations. The ensuing furor led the Congress to cut off aid to the contras. Nonetheless, by 1987 the United States had invested \$200 million in support of the contras and had little to show for it. The counterrevolutionaries were corrupt and quarrelsome, their civilian and military leaders were hopelessly divided, and they had made no military headway in overthrowing the Nicaraguan government.

Evidently fearing that the Sandinistas would win a free and fair election in Nicaragua, the Reagan and Bush administrations obstructed the peace process initiated by the Guatemala City Accords of August 1987 and continued to provide millions in "humanitarian" aid to the contras until February 25, 1990, the date of the elections. The United States also gave millions of dollars in aid to the anti-Sandinista coalition (UNO). Exhausted by almost ten years of U.S.-supported contra war and the U.S. economic blockade, Nicaraguans by a large majority voted in the UNO candidate for president, Violeta Chamorro.

In the process of taking over the counterinsurgency war in El Salvador, the United States took over the nation's economy and politics as well. The United States consistently interfered in Salvadoran politics, successfully keeping the far right, led by Roberto D'Aubuisson, from taking power in 1984 and shoring up the tottering centrist government of President José Napoleon Duarte.

The United States poured some \$4.5 billion from 1979 to 1990 into a futile military effort to defeat the FMLN guerrillas. This included massive military assistance in the form of equipment and training. Between fifty and a hundred U.S. advisers planned the counterinsurgency campaign, sometimes accompanying Salvadoran government troops in antiguerrilla forays. For a time, during 1984 and 1985, the Salvadoran army kept the guerrillas at bay because of its advantages in equipment. By early 1987, however, the FMLN was again striking at government forces and installations in almost every part of the country at will. Under domestic and U.S. pressure, both Duarte and his successors initiated peace talks with the guerrillas that led to peace accords in 1992 that pro-

vided for reform of the armed forces and security services, dismantling of FMLN military structures, and elections in which leftist parties, for the first time in El Salvador's history, could take part.

### THE INVASION OF PANAMA

Upon his election as president in 1988, George Bush vigorously continued Reagan's Latin American policy of maintaining and reinforcing U.S. dominance over the region. The new noninterventionist course pursued by the Soviet Union, which withdrew its troops from Afghanistan and made no effort to prevent the collapse of Stalinist-type regimes in Eastern and central Europe, was interpreted by Washington to mean that its freedom of action was no longer hampered by the possibility of a Soviet response. Most Latin American countries, mired in the greatest depression in the continent's history and heavily indebted to U.S. banks, were unlikely to make more than token protests against U.S. interventionist actions. If the end of the cold war deprived U.S. imperialism of its stock in trade, the bogeyman of "international communism," a new villain, the Latin American *narcotraficante*, the drug trafficker, provided a convenient pretext for an armed intervention that could advance traditional U.S. strategic and economic interests.

Bush justified the December 1989 invasion of Panama by the need to protect U.S. citizens (a U.S. Marine had been killed in a shooting incident), defend democracy, seize dictator Manuel Antonio Noriega on drug charges, and protect the canal. These arguments convinced few foreign governments, but the great majority denounced or deplored the invasion as a violation of the U.N. charter, the Organization of American States, and the Panama Canal Treaty. They were, however, accepted without questioning by the U.S. press, which "did little more than parrot the Bush administration's transparent legal justifications for the invasion." The press ignored the fact that until he began to display an inconvenient nationalist independence and stopped being "our man in Panama," Noriega was a prized ally of the United States, receiving, by conservative estimates, more than \$1.2 million in payoffs from the CIA just

during the last ten years of his thirty-year connection with the agency. As regards his drug connections, as recently as February 1987, Noriega had received a letter from the U.S. Drug Enforcement Administration (DEA), expressing its gratitude for his traditional position of support for the DEA and the cooperation of his army. The notion that Bush, the former CIA director, did not know of Noriega's drug links strains one's credulity.

The press overlooked, too, long-standing Republican objections to the Carter-Torrijos canal treaties, which provided that in the year 2000 the canal would become Panamanian territory and the U.S. military bases would be dismantled. A document titled "Santa Fe II: A Strategy for Latin America in the Nineties," issued during the 1988 campaign and reflecting the views of the Republican right, in effect provided a blueprint for the invasion, stressing the need for the replacement of Noriega by a "democratic regime" with which the United States would hold talks concerning "the United States' retention of limited facilities in Panama . . . for proper force projection throughout the Western Hemisphere." These and other recommendations in the Santa Fe document closely conformed to the Bush administration's Panama policies.

The administration proclaimed "Operation Just Cause" a huge success. Panamanian resistance was soon broken by intense bombardment. Twenty-four American soldiers were killed; estimates of the Panamanian death toll ranged from Washington's figure of 516 to the figure given by an independent commission of inquiry of between 3,000 and 4,000, the great majority being civilians. The areas hardest hit by the invasion were the poorest neighborhoods of Panama City, inhabited primarily by black and mixed-race people. Thousands were made homeless and resettled in refugee camps that often lacked medical care, sanitary facilities, and food. It was estimated that the invasion had cost \$2 billion in damages and reduced the country's economic life, already moribund as a result of U.S. economic sanctions, to paralysis.

In the midst of the invasion, a new president and two vice presidents were sworn in, fittingly enough at a military base of the U.S. Southern Com-

mand. The new president, Guillermo Endara, represented the traditional oligarchy of very wealthy white families (90 percent of Panama's 2,200,000 population is black, mulatto, or mestizo) who lost their political but not their economic power as a result of a reformist, nationalist 1968 revolution led by Omar Torrijos. This handful of families, linked by intermarriage and corporate boards, controlled some 150 of Panama's principal businesses. Once again, U.S. policy had rescued propertied elites and preserved open markets for trade and investment.

### LATIN AMERICA AND THE GULF WAR

Latin America felt the impact of the crisis that began with the Iraqi invasion of Kuwait in August 1990 and erupted into the short but destructive Gulf War in February 1991. For most countries of the region, heavily dependent on oil imports, the economic effects of the dramatic rise in oil prices were profoundly negative. Brazil, the largest oil importer, was particularly hard hit, for it had a barter arrangement with Iraq whereby it paid for oil with manufactured goods, and U.N. sanctions against Iraq forced Brazil to use its limited hard currency to buy oil from other sources at world market prices. The region's oil exporters—Venezuela, Mexico, Ecuador, Colombia, and Trinidad and Tobago—profited by increasing their oil exports to compensate for the loss of Iraqi and Kuwaiti supplies and to take advantage of the sharp rise in crude oil prices. But even they stood to lose in the long run: the unexpectedly quick ending of the war left them with large oil surpluses, forcing prices down to much lower levels.

Although most Latin Americans condemned Iraq's invasion of Kuwait, polls showed that they opposed the war option by equal or even greater majorities. In Argentina, whose government was the only one to give military aid to the coalition led by the United States, 91 percent of those questioned opposed Argentina's participation in the war and demanded the return of the two warships sent to join the multinational force. In general, editorial opinion was strongly critical of President Bush's haste to abandon reliance on sanctions against Iraq in favor of war, his rejection of various

peace proposals, and the massive destruction of life and material resources caused by the war. There was widespread skepticism, too, regarding Bush's professions of concern for self-determination by critics who recalled the U.S. invasions of Panama and Grenada and the covert war against Nicaragua. Many regarded Bush's call for a "new world order" as a thin disguise for the vision of a unipolar world dominated by the United States, the only superpower.

## Toward a New World Order?

With the collapse of the Soviet Union, U.S. policy in Latin America focused on promoting free trade. The Clinton and Bush administrations' stands on a series of issues—economic policy toward Latin America, Cuba, human rights, and the drug problem—reflected this essential continuity in foreign policy.

With the IMF and World Bank as "enforcers," U.S. policy used debt as a powerful coercive weapon to impose on Latin America a neoliberal economic system based on free trade and privatization. That system required Latin American countries to nullify past advances toward economic independence, to sell at bargain prices valuable national enterprises, and to enact austerity programs that helped increase the number of people living in poverty by 39 percent in the course of the 1980s. By the late 1990s, even the World Bank's conservative estimates of Latin American poverty had risen from 31.5 percent of the people in 1989 to 38 percent; worse still, this growing poverty was accompanied by modest economic growth.

The imposition of this system prepared the way for the logical next step: the incorporation of the area into a U.S.-dominated Western Hemisphere common market that would aid the United States in its growing competition with Japan and Europe. The continuity of U.S. policies in this area was illustrated by the North American Free Trade Agreement with Mexico, negotiated by Bush and pushed through Congress by Clinton over the virtually unanimous opposition of the labor movement that had ensured his election. Similar free-trade agreements were projected with other Latin American

countries, beginning with Chile, but the ultimate objective was a Free Trade Area for the Americas.

Given the absence of strong trade-union movements in many Latin American countries, including some, like Mexico, where democracy was little more than a façade, NAFTA-type agreements in effect placed U.S. and Latin American workers in competition to see who would produce goods for the U.S. and Canadian consumer markets for the lowest possible wages. According to Public Citizen's Trade Watch, although the Clinton administration had promised 200,000 new jobs per year in the United States, after five years it was unable to document any new jobs produced by NAFTA even as it certified that nearly 215,000 U.S. workers were casualties of the agreement. While maquiladoras lured to Mexico by NAFTA grew by 37 percent and employment skyrocketed, Mexican workers' wages fell by 29 percent since 1994. As a result of NAFTA, poverty rates in Mexico in 1999 rose to 60 percent from an annual average of 34 percent between 1984 and 1994.

In conjunction with provisions of the Uruguay round of the General Agreement on Tariffs and Trade (GATT), these free-trade agreements also posed a major threat to environmental standards. The agreements with Canada and Mexico, for example, set up unelected trinational boards, made up of trade experts, as secret and final arbiters in all decisions relating to commerce and trade. Any federal, state, or local law or regulation, no matter how democratically arrived at, could be set aside by a NAFTA disputation board that identified it as an impediment to trade. The "side agreements" added to Clinton's version of the NAFTA package made the process of challenging a labor rights or environmental violation so difficult and time-consuming that a Mexican government official could "assure concerned industrialists that they should never worry about repercussions from NAFTA's labor and environmental enforcement boards." In fact, since 1993, complaints filed against corporations like General Electric and SONY were routinely dismissed, but even when the board certified a complaint against Han Young, a Korean subcontractor for Hyundai, it lacked mechanisms to enforce the decision.

The dangers of environmental pollution posed by NAFTA and GATT were, of course, much greater to Latin America than to the United States or Canada. The Third World had already become what Eduardo Galeano calls “a kingdom of impunity” for environmental polluters. In the absence of strong grassroots opposition, NAFTA and GATT enhanced the trend to make the South “the garbage dump of the North.”

Cuba provided another test of Clinton’s willingness to rethink old and discredited Reagan-Bush policies. The United Nations Assembly three times voted overwhelmingly to condemn the U.S. embargo against Cuba; two summits of Latin American heads of state unanimously voted the same way; and a growing number of Cuban-Americans opposed a policy that inflicted hardships on their relatives on the island and obstructed further liberalization of the Cuban regime. The United States had long maintained normal relations with one great communist power, China, and in early 1994, in apparent response to pressure from U.S. business circles, President Clinton lifted economic sanctions against communist Vietnam, with which the United States once had fought a long and bloody war. As regards Cuba, however, Clinton appeared frozen in the most hard-line cold war attitude.

On the subject of human rights, the Clinton administration displayed the opportunism of its predecessors. Clinton claimed to favor civilian regimes and oppose dictatorships and military coups. In practice, however, that position was applied selectively, pragmatically, taking account of the relationship of the country in question to the United States and its acceptance or rejection of U.S.-sponsored economic policies. Thus, the Clinton administration remained silent when the Mexican army and paramilitary organizations ran amuck in Chiapas, carrying out summary executions, torture of prisoners, and aerial attacks on civilian populations. Indeed, U.S. military sales and assistance to Mexico suddenly skyrocketed to \$78 million in 1994 and annually averaged well over \$100 million thereafter. The Clinton administration took the same benign attitude toward Peru’s President Fujimori’s *autogolpe* (“self-coup”) after

he proved his firm loyalty to the neoliberal economic doctrine and program. In general, in the words of the *Washington Report on the Hemisphere*, “The Administration seems prepared to wink at moderate human rights violations provided they occur in a ‘good cause,’ like fighting leftist guerrillas.”

Despite rhetoric to the contrary, Clinton continued to militarize the “war on drugs” that he inherited from Bush. Throughout Latin America, the U.S. Southern Command was involved in dozens of operations that involved thousands of soldiers or police and billions of U.S. taxpayers’ dollars. In fact, Clinton’s drug-war budget grew to \$16 billion, then the highest in U.S. history. Yet the war failed to reduce the availability or use of drugs in the United States.

After the Soviet Union’s disintegration removed strategic restraints on the unilateral exercise of U.S. power, U.S. policymakers struggled to define the appropriate mix of economic, political, diplomatic, and military instruments necessary to govern a “new world order” based on neoliberal principles of privatization, state deregulation, and free trade. In this task, they shared a certain sympathy with their British counterparts like Richard Cooper, foreign policy adviser to Britain’s Prime Minister Tony Blair, who boldly declared in 2001 that “when dealing with the more old-fashioned kinds of states outside the postmodern continent of Europe, we need to revert to the rougher methods of an earlier era—force, pre-emptive attack, deception.” Perhaps more bluntly than others, Cooper alleged, “The opportunity, perhaps even the need, for colonization is as great as it ever was in the nineteenth century” and called for the mobilization of “a new kind of imperialism.”

In the United States, these same ideas emerged less candidly in discussions of “nation-building”—that is, external intervention in the sovereign affairs of developing nations to create institutions to facilitate the process of globalization and manage the growing popular opposition that its expansion inevitably seemed to produce. To this end, in 1994, under the direction of former U.S. Secretary of State Cyrus Vance, the Carnegie Corporation created the

Commission on Preventing Deadly Conflict, the purpose of which, according to its 1997 report, was to promote nation-building through multilateral initiatives, including the use of external force. To identify those disputes in which such intervention was justified, the Commission stressed the need to develop “legal standards” against which it might measure regime legitimacy—that is, the degree to which “the responsibilities of governments to themselves and to their peoples” were carried out. This approach provided the intellectual foundation for many Clinton-era interventions in Latin America.

Also in 1997, however, a neoconservative organization, the Project for the New American Century (PNAC), founded by William Kristol and Robert Kagan, a Reagan-era deputy in the State Department’s Bureau of Inter-American Affairs, took up a similar task, although it emphasized unilateral interference. Supported by many who would become high-ranking policymakers in George W. Bush’s administration (including Vice President Cheney), the PNAC openly called for a reassertion of the aggressive imperialist intervention that had characterized early-twentieth-century U.S. foreign affairs. According to its senior fellow, Thomas Donnelly, “American imperialism can bring with it new hopes of liberty, security, and prosperity; its attractions can soften the fear of overweening U.S. military power.”

Although candidate Bush in 2000 had denounced “liberal” exercises in nation-building such as those contemplated by the Carnegie Commission, as president in 2001, he nonetheless continued to support Clinton’s global initiatives. Especially after the September 11 terrorist attacks on the Pentagon and World Trade Center, however, the Bush foreign-policy team more vigorously embraced the PNAC’s idea, if not the specific language, of unilateral imperialist intervention to protect and promote U.S. interests. “Sovereignty entails obligations,” according to Richard Haass, director of policy planning in the Bush State Department. “If a government fails to meet these obligations, then it forfeits some of the normal advantages of sovereignty, including the right to be left alone inside

your own territory. Other governments, including the U.S., gain the right to intervene.”

Naturally, the key question was: What were the special “obligations” that the Bush administration expected sovereign nations to satisfy to avoid U.S. intervention? First and foremost, the president expected them to oppose terrorists who targeted the United States, but he also insisted that they promote free-market principles and practices. According to one administration spokesperson, U.S. policy stressed “the importance of ruling justly, the importance of investing in one’s own people, and the importance of operating in an economic policy framework that creates openings for enterprise and entrepreneurship.” This meant “sound economic policies” including “more open markets, sustainable budget policies, and strong support for individual entrepreneurship.” Wherever a government or popular forces threatened these values or resisted market reforms, the Bush administration overtly intervened politically and sometimes threatened more serious economic and military intervention.

In Venezuela, for example, in the months prior to and during an ill-fated April 2002 military coup against the democratically elected populist president Hugo Chávez, high-ranking U.S. government officials met repeatedly with military and civilian coup leaders, including Pedro Carmona, formerly head of the Venezuelan Chamber of Commerce (*Fedecámaras*), who was appointed to replace Chávez. One Venezuelan who attended some of these meetings told *Newsday* that U.S. officials only mildly objected to the idea of a coup, leading him to the inescapable conclusion that “all the United States really cared about was that it was done neatly, with a resignation letter or something to show for it.” As the coup unfolded, this seemingly was confirmed by a State Department official who allegedly told a Venezuelan diplomat that although the United States, as a signatory to “the Inter-American Democratic Charter, which condemns any violation of constitutional rule,” officially opposed a military coup, it was nonetheless “necessary that the transition currently under way in Venezuela, which [the United States] understands

and sympathizes with, conserve constitutional structures.” For this reason, the United States unsuccessfully had counseled Carmona against his planned dismissal of the National Assembly.

Although the Organization of American States and every single Latin American government immediately denounced the coup and called for the restoration of democracy, the Bush administration further embarrassed itself by greeting news of the coup with some measure of enthusiasm. Instead of condemning the coup, officials initially blamed it on the alleged “dictatorial” policies of Chávez, the elected president. Chávez apparently had angered U.S. policymakers by his populist rhetoric, his principled opposition to the U.S. war in Afghanistan, his friendly relations with Cuba and other regimes that the United States opposed, and his resistance to neoliberal policies promoted by the United States, the World Bank, and the IMF.

Similarly, the United States openly intervened in Bolivia. First, under the rubric of fighting a hemispheric war on drugs, it funded a mercenary army known as the Expeditionary Task Force, which was accused of murdering an unarmed peasant union leader and engaging in torture and theft. “These are soldiers with no clearly defined loyalties, and a foreign power is funding them to run around our country with guns,” a Bolivian official complained. “The existence of this force is a violation of the Bolivian constitution.” In the summer of 2002, the United States also openly interfered in Bolivian democratic presidential elections. On election eve, the U.S. ambassador announced that the United States would cut off all economic aid to the impoverished nation if it elected Evo Morales, an Aymara indigenous leader who had fiercely resisted a U.S.-sponsored coca eradication program. Morales incurred Bush’s wrath with his populist proposals and candid insistence that “capitalism is humanity’s worst enemy.” Notwithstanding U.S. hostility and covert financial support for his opponents, Morales surprised all political analysts with a second-place finish in the race, with 20 percent of the vote.

The United States also openly intervened in Nicaragua’s 2001 presidential elections. After early polls showed that Daniel Ortega, candidate

of the Sandinista National Liberation Front, led his nearest rival by almost 10 percentage points, the United States organized a spirited campaign to secure his defeat. The U.S. ambassador pressured a Conservative candidate to drop out of the race to avoid splitting the anti-Ortega vote, vociferously denounced Ortega, loudly supported Enrique Bolaños, and used the distribution of emergency food aid to promote his candidacy. Even Jeb Bush, the president’s brother, enlisted in the campaign, alleging that Ortega associated with those “who shelter and condone international terrorism.” In the aftermath of September 11 and President Bush’s declaration of a “war on terrorism,” this sent a powerful message to Nicaraguans, who a decade earlier already had endured horrendous privations caused by U.S. economic and military intervention.

Meanwhile, in Colombia and Ecuador, the Bush administration expanded the Clinton government’s militarization of U.S. policy. Under the guise of interdicting drug smuggling, Plan Colombia, developed during the Clinton years, had authorized billions of dollars to support the Colombian military’s counterrevolutionary war against the FARC, a guerrilla insurgency that claimed a popular base in the rural communities that it controlled. Even U.S. Ambassador Myle Frechette privately acknowledged in a confidential 1996 memorandum that the FARC’s reputation as drug traffickers “was put together by the Colombian military, who considered it a way to obtain U.S. assistance in the counterinsurgency.” Nonetheless, according to one U.S. Special Forces trainer in Colombia, although his mission was “ostensibly to aid the counternarcotics effort,” everyone understood “perfectly well” that they were “giving military forces training in infantry counterinsurgency doctrine” and “that narcotics was a flimsy cover story for beefing up the capacity of armed forces, who had lost the confidence of the population through years of abuse.”

But U.S. military forces continued to cooperate with Colombian forces accused of human rights violations, despite congressional restrictions on such assistance. In May 2000, according to confidential memoranda released to the National Security Archive, U.S. Ambassador Curtis Kamman



In 2007, Argentina's Cristina Fernández joined Chile's Michelle Bachelet as Latin America's second democratically elected woman president, giving new meaning to the "Pink Tide" that swept the region in defiance of U.S. efforts to promote privatization and hemispheric free trade. From left to right, they are Bachelet, Paraguay's Nicanor Duarte, Uruguay's Tabaré Vázquez, Fernández, Brazil's Lula, Venezuela's Hugo Chávez, and Bolivia's Evo Morales. [Bettmann/Corbis]

alerted the State Department that the U.S. Army's "Bravo Company" was "bedding down" with, and receiving logistical support from, a Colombian infantry brigade, whose authorization to receive U.S. military support had not been approved because of unresolved complaints about its involvement in human rights abuses. The State Department, although it acknowledged that the United States could not legally assist this brigade, nonetheless reassured Kamman that its participation was critical "for the success of Plan Colombia."

Shortly after September 11, however, the Bush administration abandoned even these cur-

sory efforts and shamelessly used the "new war on terrorism" to circumvent congressional controls originally designed to guarantee that U.S. military aid would not support human rights violations. Calling the FARC "the most dangerous international terrorist group based in the Western Hemisphere" and alleging that it "engaged in a campaign of terror against Colombians and U.S. citizens," President Bush authorized an additional \$1.3 billion to support the Colombian military in 2001–2002 and requested another \$98 million to fund the training of a special Colombian military unit to defend Occidental Petroleum's Cano Limón

oil pipeline. The Bush government also dramatically increased military assistance to neighboring Peru, Bolivia, and Ecuador, whose military base at Manta became an especially key strategic asset for the U.S. military. This “Andean Regional Initiative” widened the arena of conflict and promised additional military aid through the Foreign Military Sales program, whose funding for Latin America almost doubled, to \$8.7 million in 2001. This not only encouraged these impoverished nations to waste precious resources on more military equipment, but it also clearly strengthened a sector of Latin American society that had been a historical enemy of democracy and human rights.

As the new millennium opened, popular movements throughout the region gradually coalesced in their fierce rejection of the neoliberal policies that successive U.S. governments had promoted relentlessly for two decades. From *piqueteros* in Argentina to the FARC *guerrilleros* in Colombia, Latin America appeared to be in revolt. Although some sought to portray this as the routine chaos characteristic of the continent, others saw it as a natural, almost inevitable, consequence of unregulated markets that created wealth for a few and misery for the many. To be sure, it was unclear just how

well organized, politically disciplined, and effective these popular movements were. But increasingly it appeared that U.S. preoccupation with Iraq and the Middle East had preempted its capacity to intervene effectively in Latin America. The decline of U.S. influence in the region after 2003 doubtlessly encouraged popular support for the “Pink Tide” that threatened to sweep away the vestiges of neoliberalism. Although it remained uncertain how successful they might be over time, one thing was indisputable: they challenged a U.S. foreign policy that historically had prized property rights and unregulated markets over human rights and democratic freedoms.



**Go online for additional resources:**

- Primary sources
- ACE self-test quiz
- Chapter summary
- Flashcards
- Suggested readings

# GLOSSARY

- Adelantado** Commander of a conquering expedition with governing powers in a frontier or newly conquered province.
- Alcabala** Spanish sales tax imposed by the crown.
- Alcalde** Member of a *cabildo* who in addition to administrative duties served as a judge of first instance.
- Alcalde mayor** Royal governor of a district. See *Corregidor*.
- Aldeia** An indigenous community in colonial Brazil, governed and controlled by the Catholic Church until the Bourbon crown reasserted its authority in the mid-eighteenth century.
- Anarchism** Literally “without rulers,” this refers to a political philosophy that calls for the abolition of the State and all forms of organized coercion, usually including private property.
- Anarcho-syndicalism** A political philosophy that rejects the State, the wage system, private property, and conventional electoral participation, but calls for working class solidarity, direct action (including strikes and factory occupations), and workers’ democratic self-management.
- Anticlericalism** A political philosophy that rejected the right of Catholic clerics to exercise secular power in political, social, or economic affairs and restricts their influence to private religious matters.
- Arpilleras** A folk art tradition that engaged mostly women in communal activities to produce embroidered quilts that communicated the everyday, lived experiences of ordinary people and, especially in Chile, their resistance against social injustice and the brutal repression of a military dictatorship.
- Asiento** Spanish royal monopoly conceded to foreigners to supply enslaved Africans to Spanish American colonial markets.
- Audiencia** A colonial high court and council of state under a viceroy or captain general, or the area of its jurisdiction.
- Auto-da-fé** or **auto-de-fé** The church’s public ceremony of pronouncing judgment during the Inquisition, followed by execution of the sentence by secular authorities.
- Ayllu** A kinship and territorial unit of social organization, originally Inca, in the Andean region.
- Ayuntamiento** Spanish colonial town council, to which the Spanish Crown initially appointed councilmen (*regidores*) and mayors (*alcaldes*), but later became a source of independent creole power.
- Bandeirante** Brazilian frontiersmen, usually of mixed racial background, who scoured the interior in search of gold, indigenous slaves, and runaway black slaves.
- Barbudos** Literally the “bearded ones,” this was the name given to revolutionary guerrilla soldiers who fought in the Sierra Maestra with Fidel Castro during the Cuban Revolution.
- Barriadas** or **barrios** Slum neighborhoods.
- Bazuco** Known as “crack,” this is an unprocessed form of cocaine crystals, packaged in small quantities and costing only a fraction of cocaine powder.
- Bohíos** The traditional thatched-roof shacks in which the vast majority of impoverished Cuban rural workers lived before the 1959 Revolution.
- Bourgeoisie** A class of people who, in classical European medieval feudal society, constituted the middle sector between a landed aristocracy of birth and peasant serfs bound to labor on manorial estates. Traditionally, these “middling sorts” were merchants, artisans, and shopkeepers who used their property to maximize private profits. Later, it described wealthy businesspeople more

- broadly, merchants, financiers, and industrialists who dominated capitalist societies.
- Brujería** Witchcraft, especially as practiced by women of African and indigenous American descent, whose knowledge of native cultural traditions offered a refuge from, and served as a source of resistance to, Spanish cultural domination.
- Buenas costumbres** Literally “good manners,” this term describes racist and patriarchal traditions that valued whiteness, obedience, and respect for family, church, and country.
- Bureaucratic authoritarianism** A superficially representative system of government that institutionalized an enduring, extremely brutal and repressive, military dictatorship and effectively excluded popular classes—that is, the poor, peasants, workers, and their political representatives—from citizenship participation, thereby facilitating restoration of a free market economy that benefited what Guillermo O’Donnell calls “a highly oligopolized and transnationalized bourgeoisie.”
- Caballero** A cavalry soldier or, more generally, a “gentleman” of high social rank in Spanish colonial America.
- Cabildo** A municipal council in the Spanish colonies.
- Caboclo** A term used in Brazil to describe poor, usually landless, people of mixed indigenous and European descent.
- Cacique** (1) An indigenous chief or local ruler. (2) A tyrannical local boss.
- Caciques apoderados** Literally “empowered chiefs,” this term describes indigenous rebellions that swept across the Andean highlands of Peru, Ecuador, and Bolivia during the early twentieth century.
- Caesarist** Drawing upon the historical model of Julius Caesar, this term refers to a military dictatorship characterized by charismatic personalist rule.
- Café cantante** Coffeehouses that featured Mexican countercultural rock music and provided a meeting place for rebellious youth culture in the late 1960s and the 1970s.
- Café con leche** Literally “coffee with cream,” this designation describes the mixed-race nature of many Latin American societies composed primarily of descendants of Africans and Europeans.
- Calpulli** A kinship and territorial unit of social organization in ancient and colonial Mexico.
- Campesinos** Usually poor, politically powerless rural residents, including farm workers, peasants, sharecroppers, and small farmers.
- Candomblé** Popular among Afro-Brazilians, a religious sect that worships Ogun, the African god of birth and death, and preserves the cultural traditions of Africa’s western Yorubaland, home of many Africans enslaved by the Portuguese and sold to Brazilian fazendeiros.
- Cangaceiros** Landless, rootless bandits in Brazil’s frontier regions, who defended their independence from rural coronéis either by participating in peasant rebellions or by selling their military services to rival political bosses.
- Capitalism** A social system characterized by private ownership of productive resources, investment, economic competition, and private profit produced by the employment of wage labor.
- Capitão mor, *pl. capitães mōres*** The commander in chief of the military forces of a province in colonial Brazil.
- Capitulación** The contract between the Spanish monarch and the leader of an expedition of conquest or discovery.
- Carnival** In Latin America’s Catholic culture, this is a pre-Lenten period of wild public celebrations of worldly pleasures that will be sacrificed during solemn preparations for the holy season of Easter and the resurrection of Jesus Christ.
- Caudillo** A powerful political boss whose authority is unassailable.
- Cédula** A royal decree issued by the Spanish crown.
- Cédula de gracias al sacar** The royal decree that reflected the socially contingent nature of race

- in colonial Spanish America by permitting mixed-race peoples to purchase legal titles to whiteness.
- Charango** A traditional musical instrument similar to a guitar, combining the technologies of Spanish and indigenous peoples, who originally used the shell of an armadillo to construct it.
- Charrismo** The practice in Mexico of organizing official “company” unions that represented the State’s interests and employers far more effectively than rank-and-file workers.
- Chicha** Originally a type of beer made from corn and common among Andean indigenous communities; later became the slang name for a new musical genre pioneered by recent migrants who combined highland indigenous sounds with urban electronic instruments and rock-and-roll rhythms.
- Chinampa** A garden or piece of arable land reclaimed from a lake or pond by dredging up soil from the bottom and piling it on a bed of wickerwork (Mexico).
- Cholo** Term used to describe socially mobile people of indigenous descent who observe Spanish cultural traditions.
- Científico** A policymaker in the government of Mexico’s Porfirio Díaz (1876–1911) who believed in the “science” of positivism, racist doctrines of white supremacy, and national economic modernization based on private property and foreign investment.
- Clientelismo** A system of patronage in which powerful leaders secure popular support by distributing favors, ranging from monetary bribes to jobs.
- Cofradía** A religious brotherhood, originally indigenous; sodality.
- Colegio** A college or school.
- Colonos** Sharecroppers who typically worked the fields of plantation owners in exchange for the right to cultivate a small parcel of hacienda land to produce subsistence crops.
- Compadrazgo** Spanish cultural institution of godparents, which expanded aristocrats’ patriarchal power by establishing dependent kinship relationships with lower-class families.
- Compadrio** Portuguese version of *compadrazgo*.
- Composición** A settlement legalizing title to usurped land through payment of a fee to the king.
- Comuneros** Indigenous peasant villagers who defended (or sought to reconstitute) ancient claims to ancestral communal lands.
- Comunidad de base** Grassroots community organization rooted in Catholic religious traditions informed by liberation theology.
- Concertaje** In Colombia, a mandatory apprenticeship program that placed “freed” slaves in service to their previous masters until the age of twenty-five.
- Congregación** Resettlement of scattered indigenous populations to facilitate Christianization and the collection of tribute.
- Consulado** A merchant guild and a tribunal of commerce during the colonial period.
- Contras** The name used to describe a diverse group of counterrevolutionary terrorist organizations financed, trained, and equipped by the Reagan administration, with the objective of forcibly overthrowing the Sandinista revolutionary regime during the 1980s.
- Contribución de indígenas** Head tax levied on indigenous peoples both by Spanish royal officials during the colonial period and by creole republican governments in the early nineteenth century.
- Conversos** Converted Spanish Jews or their descendants.
- Coronéis** Especially after 1870, the *coroneis* were political bosses, usually wealthy merchants, influential lawyers, or priests. The title *coronel* (Portuguese for “colonel”) was often honorary and did not necessarily indicate a military command or land ownership. *Coronéis* is the plural form of *coronel*.
- Corporatism** A state-centered political economic system in which representation is allocated to

- groups that are officially licensed by the state. See *Social corporatism* and *State corporatism*.
- Corregidor** A royal governor of a district. A *corregidor de indios* administered indigenous pueblos.
- Corregimiento** The jurisdiction governed by a *corregidor*.
- Cortes** The Spanish parliament.
- Côrtes** The Portuguese parliament.
- Creole or criollo** An American-born Spaniard in the Spanish colonies, a designation typically associated with whiteness and land ownership in a republican Latin America divided by race and class.
- Cuenta** Audit process by which Spanish imperial auditors, who distrusted local creole *corregidores*, independently tracked the number of indigenous people forced to pay tribute to the crown.
- Cumbe** In Spanish America, the name given to communities composed of African peoples who had escaped enslavement and established settlements independent of Spanish royal control.
- Cumbia or cumbia andina** An influential musical genre born of Colombia's Atlantic coast, drawing upon the traditional West African *cumbe* dance and combining Spanish melodies with African rhythms and indigenous American harmonies.
- Curaca** The Hispanicized spelling of a Quechua word, *kuraka*, that identified a hereditary chief or ruler in ancient or colonial Peru.
- Deism** A political philosophy that recognizes the existence of God but subordinates public policy decision making to the rational application of natural law.
- Descamisados** Literally "shirtless," this refers to the impoverished but politically active Argentine workers who adored Evita Perón and provided her husband Juan with his political base.
- Development** A process through which a nation maximizes the distribution of its resources to enhance the quality of life for the greatest number of its citizens. Development typically is measured against standards that include poverty reduction, literacy rates, access to health care, infant mortality rates, life expectancy, potable water, sanitation disposal, housing, and per capita income.
- Ejidatarios** A member of a community that owned lands in common.
- Ejido** Commonly owned lands, customarily farmed collectively by indigenous communities.
- Encomendero** The holder of an *encomienda*.
- Encomienda** An assignment of indígenas who were to serve the Spanish grantee with tribute and labor; also, the area belonging to indigenous people so granted.
- Encuentro** Controversial term originally designed to eliminate the ethnocentric idea of a European "discovery" of the Americas, it also effectively sanitizes the violent, brutal history of European invasion and conquest.
- Enganchador** Literally "one who hooks or ensnares," referring to individuals who act as labor contractors to recruit desperate workers by coercion or deceit.
- Enganche** Literally "the hook," refers to a system of labor coercion based on physical force or fraud that deprives workers of their freedom.
- Estado de excepción** Literally "State of Exception," this is a legal status that preserves the rhetorical veneer of constitutional government even as it routinely violates the civil liberties of workers and other political opponents.
- Estancias** Literally "estates," this refers to the large cattle ranches that monopolized land, transformed the Argentine *pampas*, and rendered Argentina dependent on beef exports.
- Estancieros** The Argentine oligarchy that owned large cattle ranches and dominated political, economic, and cultural life in the nineteenth and early twentieth centuries.
- Favelas** Urban shantytowns in Brazil, composed of irregular, poorly constructed housing, typically located illegally on public or private lands that surround major cities.
- Fazenda** A large estate (Brazil).

- Fazendeiro** The owner of a *fazenda*.
- Federalism** The political philosophy that State power should be broadly disseminated among local and provincial rather than centralized national governments.
- Feudalism** A social system based on custom, religious tradition, and birthright, the principal characteristics of which were (1) production for use rather than exchange value, (2) social immobility, and (3) a three-tiered class hierarchy that included aristocratic nobility, merchants and artisans, and peasant serfs.
- Fincas** Literally “farms,” this refers typically to the large coffee plantations that monopolized agricultural lands in Central America and rendered the region dependent on foreign exports.
- Finqueros** The oligarchical owners of coffee plantations who dominated Central American societies in the nineteenth and early twentieth centuries.
- Fresas** Literally “strawberries,” the derisive slang name commonly used by Mexican working-class youth to describe wealthy, fresh-faced, light-skinned kids who were born to privilege.
- Fueros** Special privileges granted to military officers, church officials, and others that exempted them from civil legal proceedings.
- Gamonal** A local, rural political boss who often used physical violence, fraud, and corruption to despoil indigenous peoples of their ancestral lands in Peru; also used to describe a system of rural control exercised by large landowners, local government officials, and the clergy in Colombia.
- Gross domestic product (GDP)** The total annual value of domestically produced goods and services, excluding income from foreign investments and overseas remittances.
- Gross national product (GNP)** The total annual value of goods and services, including income from foreign investments and overseas remittances.
- Growth** A process through which a nation maximizes the production and utilization of its resources, usually measured against standards that include the gross national product, the gross domestic product, foreign direct investment, and balance of payments.
- Guachibales** Indigenous religious brotherhoods that aimed to maintain cultural identities; defend their autonomy; and preserve communal customs, ancestral languages, and religious rituals.
- Guajiros** The racially mixed Cuban peasants who either owned small plots that produced basic subsistence or exchanged their labor on sugar plantations for a share of the crop and access to small subsistence plots.
- Guano** In Peru, the accumulated deposits of bird feces rich in nitrates, which became a highly profitable raw material for natural, commercial fertilizers greatly demanded in Europe’s increasingly infertile agricultural lands.
- Guerra sucia** Literally “dirty war,” this refers to official acts of state terrorism conducted by the military and paramilitary forces against social movements that represented the interests of workers, peasants, students, and indigenous communities throughout Latin America during the 1970s and 1980s.
- Hacendado** The owner of a *hacienda*.
- Hacienda** A large landed estate.
- Hegemony** A system of sociopolitical power in which the dominant authority secures its command through a combination of physical coercion, threats of violence, and a coherent ideology that encourages the “spontaneous consent” of subaltern peoples who voluntarily defer to their social superiors.
- Hermandad** Literally “brotherhood,” this describes a military association, originally organized by autonomous towns to defend their independence against manorial lords and the crown.
- Hidalgo** A member of the *hidalguía* or lower nobility of Spain and colonial Spanish America.
- Hidalguía** See *Hidalgo*.
- Hoyos fonquis** Literally “funky holes,” this describes the urban “raves” or clubs where

working-class youth gathered to listen to countercultural music and share their collective disdain for Mexico's authoritarian and patriarchal government.

**Huasipungo** Serflike labor system in Ecuador that bound indigenous people to hacienda lands where they worked in perpetuity in exchange for access to small plots of land on which they produced subsistence crops.

**Hyperurbanization** The process whereby national populations become concentrated in one city, usually the capital, as a result of internal migration and limited, localized industrialization.

**Import-substitution industrialization** A state-centered strategy of national development that encouraged the growth of national industry by using high protective tariffs and other fiscal policies to discourage foreign manufactured imports.

**Indígenas** Individuals whose customs, traditions, dress, or physical features identified them as descendants of peoples indigenous to the Americas before the arrival of Europeans.

**Indigenismo** A counterhegemonic developmental ideology that, in contrast to the racist doctrine of white supremacy, celebrated the cultural achievements of past indigenous American civilizations and invoked their legacy of resistance to oppression as the foundation for an authentic national development.

**Inquilino** A Chilean tenant farmer.

**Jipitecos** Mexican or foreign youth who identified with "hippie" counterculture, rejected the commercialism associated with modernity, and emulated the traditional lifestyles of impoverished indigenous peoples.

**Jóvenes desvinculados** Literally "disconnected youth," these are alienated young Cubans who are not employed or enrolled in school and therefore make no positive contributions to Cuban society.

**Juntas de manumisión** In Gran Colombia, these were committees composed of local notables—many sympathetic to slavery—who were re-

sponsible for collecting tax monies necessary to pay slave owners compensation for emancipation and for prioritizing applications for manumission.

**Justicialismo** The nationalist, state-centered ideology espoused by Argentina's Juan Domingo Perón, its basic elements were Christian humanism, a balance between individual and community rights, subordination of capital to the "national economy" and "social welfare," and "adequate distribution of Social Justice."

**Kuraka** See *Curaca*.

**Ladino** Generally, any person who adopts customs and traditions alien to his own cultural birthright. Depending on the context, this may refer to (1) Hispanicized people of Jewish, indigenous American, or African descent who embraced Christianity; (2) landless free laborers, born of mixed-race parentage, who embraced the cultural traditions of creole aristocrats; or (3) especially in contemporary Central America, mixed-race peoples who identify as "white" to distinguish themselves from indigenous peoples.

**Laissez-faire** The liberal philosophy that individual liberty requires the absence of state regulation and celebrates free markets as the most efficient means of promoting national development.

**Latifundio** The system of large landholdings, feudal in its origins, that has dominated Latin America since the colonial period.

**Libertos** Literally "freed," these were formerly enslaved Africans or their descendants who secured their freedom either through self-purchase or manumission but were deprived of equal citizenship rights.

**Libretas** Literally "little books," these were the passbooks that peasants and indigenous peoples generally had to carry with them to document their annual labor on commercial plantations, which was required by law.

**Limpieza de sangre** Literally "cleanliness of blood," this grew out of the racial hierarchy that

- emerged during the reconquest of Iberia and identified Spanish or Portuguese Christians, whose purity was not compromised by contact with Jews, Muslims, Africans, or indigenous peoples in colonial Latin America.
- Llaneros** The mixed race inhabitants of the llanos, who defended their individual liberty both against Spanish colonialism and Spanish American creole aristocracy.
- Llanos** The flat plains in northern South America that were the agricultural heartland of Gran Colombia.
- Macehualtín** In the Aztec social class hierarchy, this described commoners who performed tribute, labor, and military services for the Aztec state.
- Magical realism** This describes an artistic tradition in Latin America that dramatizes an often oppressive physical reality by also portraying highly subjective human perceptions of it, which include emotion, fantasy, and myth.
- Mambises** Nineteenth-century Cuban guerrilla soldiers who fought for political independence and racial justice in integrated battalions, often under the command of black officers.
- Mandamiento** A system of coerced indigenous labor.
- Maquiladora** Mostly foreign-owned sweatshops in Latin America, they enjoy tax and tariff advantages that allow them to hire low-wage, mostly female Latin American workers to assemble duty-free imported parts into finished products, which are then reexported to the United States, Europe, or Japan.
- Maroons** Africans or their descendants in the Americas, who escaped European enslavement to establish autonomous communities, usually rooted in African cultural traditions, in the remote interior.
- Mayeque** A tenant farmer or serf on the estate of a noble family in ancient Mexico.
- Mayorazgo** An entailed estate.
- Mazombo** A person born of Portuguese parents in the Americas, similar to the Spanish *creole*.
- Mestizaje** A counterhegemonic developmental ideology that, in contrast to doctrines of white supremacy, celebrated the mixed-race nature of Latin American civilization but simultaneously endorsed “whitening” even as it scorned autonomous indigenous and African cultures.
- Mestizo** A person of mixed indigenous and Spanish descent.
- Millenarianism** The medieval doctrine, based on a prophecy in the Book of Revelation and widely held by the reformed clergy, that Christ would return to earth to reign for a thousand years of peace and righteousness, to be followed by the Last Judgment at the end of the world.
- Milpas** The subsistence plots on which peasants and indigenous communities depended to produce their survival.
- Minga** A free indigenous miner in colonial Peru.
- Minifundio** A system of land tenure characterized by the division of large estates into small parcels distributed among many peasant proprietors, which typically rendered them less productive and shifted production away from commercial crops.
- Mita** In colonial Peru, the periodic conscription of indígenas for labor useful to the Spanish community. See *Repartimiento*.
- Moderados** Individuals comprising the moderate wing of the Liberal Party in nineteenth-century Mexico.
- Monoculture** An area that depends for its economic prosperity on the production and export of one or two primary products.
- Mozárabe** A term that described Christians who lived in lands on the Iberian peninsula controlled by Muslim governments.
- Mulattos** In the Spanish American colonial racial hierarchy, this refers to mixed-race people born of African and Spanish parents.
- Nacos** A derisive slang term used to identify working-class youth who rebelled against Mexico’s authoritarian and patriarchal culture.
- Ñañiguismo** The practice, common among Afro-Cubans, of organizing religious brotherhoods

- (*Ñáñigos*), under church protection, to resist racism and preserve African cultural traditions.
- Narcobourgeoisie** This describes wealthy and powerful sectors of society, whose status depends on the production, processing, and sale of illegal drugs.
- Narcocapitalism** A political economic system characterized by collaboration between the state and private drug cartels that resort to bribery, corruption, assassination, and terrorist threats to accumulate significant profits from the illicit drug trade and reinvest them in legitimate business enterprise.
- Narcoterrorism** This refers to the physical violence and intimidation that secures the property and power of wealthy businesspeople who control the illegal drug industry.
- Negrista** An intellectual who participated in the early-twentieth-century philosophical and literary movement that celebrated African cultural contributions to Latin American societies.
- Nueva Canción** Literally “New Song,” a cultural movement that swept across Latin America in the 1960s, rejected the marketplace values of modernity, and drew inspiration instead from communal traditions linked to folk arts, music, and crafts.
- Obraje** A primitive factory or workshop, especially for textile manufacture, often employing convict or debt labor.
- Oidor** A judge of an *audiencia*.
- Onderos** Mexican youth, usually from the urban middle class, who identified with the new wave of countercultural rebellion associated with rock-'n'-roll music, social protest poetry, and Latin American revolutionary movements in the 1960s.
- Ouvidor** A royal judge who usually combined judicial and administrative duties (Brazil).
- Pájaros** Literally “birds,” this very unflattering slang word invoked images of male genitalia to describe the thugs and assassins hired by the Colombian government and landed oligarchs who assaulted guerrilla veterans of the *Violencia*.
- Palenques** In Spanish America, the name given to communities composed of African peoples who had escaped enslavement and established settlements, rooted in African cultural traditions, independent of Spanish royal control.
- Pampas** Vast, flat plain in Argentina renowned for its gaucho culture, it became the agricultural heartland of southern South America.
- Pardos** Literally “browns,” the designation of mixed-race peoples both in Spanish and Portuguese America.
- Patria** The fatherland.
- Patriarchy** A system of social authority that privileges masculinity and empowers men to exercise dominion over women.
- Patrón** Master.
- Patronato** The “apprenticeship” period established in Cuba between 1880 and 1886 to delay the emancipation of enslaved Africans and their descendants.
- Patronato real** The right of the Spanish crown to dispose of all ecclesiastical offices.
- Peninsular** A person born of Spanish parents in Spain and temporarily residing in the Americas.
- Peón** An infantryman or, more generally, a person of low social rank bound by tradition or law to the service of others with higher rank.
- Peso** A monetary unit of eight *reales*.
- Pinochetazo** Originally used to describe the brutal Pinochet dictatorship that overthrew a democratically elected socialist government in Chile, it also refers to any similarly bloody and violent military coup d'état.
- Piqueteros** Unemployed workers in Argentina who joined together to protest against neoliberal policies that produced poverty and social injustice.
- Pitucos** The derisive and derogatory term used by ordinary folk to describe wealthy people who were accustomed to privilege and power.
- Pobladores** Urban slum dwellers who increasingly became organized and active in populist

political coalitions that ironically aimed to restrain their independence.

**Populism** The political philosophy that rhetorically celebrated the power of common people even as it subordinated their independent political action to the needs of a centralized state apparatus altogether too often controlled by elites. Populism typically called for nationalistic policies like State ownership of mineral wealth, land redistribution, labor reform, regulation of foreign investment and trade, anticlericalism, tariff protectionism, import-substitution industrialization, and social legislation that included retirement pensions, health insurance, compulsory secular public education, and women's suffrage.

**Porteño** In Argentina, an inhabitant of Buenos Aires.

**Principales** The name that Spanish colonial officials (and their creole heirs after independence) usually gave to the indigenous nobility that frequently governed indigenous communities after the Spanish conquest.

**Proletarianization** The frequently violent social process that expelled peasants from the land, rendering them unable to secure their survival except by selling their labor to private-property owners, which often required migration in search of employment opportunities.

**Proletariat** The class of propertyless people forced by what Max Weber called the "whip of hunger" to sell their labor to secure the wages necessary to purchase their survival.

**Provincianos** In Peru, the first generation of indigenous highland migrants who found themselves in urban areas surrounded by a hostile creole culture that ridiculed their rural lifestyles, scorned their racial origins, and limited their social and economic opportunities.

**Pueblo** Depending on the context, this can mean (1) a small village, (2) the common people, or (3) the people of an entire community.

**Pueblos jóvenes** Poor "squatter" communities (literally "young towns") constructed on vacant lands by homeless men and women who

lacked proprietary rights but who insisted that their right to survive superseded all other legal claims.

**Puros** Literally "pure people," this term describes radical liberals who were so committed to the ideas of equality and personal liberty rooted in property ownership that they advocated State intervention to redistribute property to secure the material basis for freedom.

**Queremistas** Literally "those who want," this describes the populist movement that sought to "draft" Getulio Vargas, who had ruled Brazil with dictatorial powers since 1935, to serve as a candidate in the 1945 presidential elections.

**Quilombo** In Brazil, the name given to communities composed of African peoples who had escaped enslavement and established settlements independent of Portuguese royal control.

**Quinto** One-fifth; the royal share or tax on all mine production or spoils of a conquest.

**Race** A socially constructed idea that skin color and other physical features determined intellectual capacity and social status, which aimed to legitimize the European conquest and enslavement of indigenous Americans and Africans, thereby enforcing the rule of wealthy, well-connected property owners of European ancestry.

**Rancheros** People, usually of mixed race, who owned and operated small farms interspersed among indigenous villages and large commercial estates.

**Real** A monetary unit; one-eighth of a *peso*.

**Rectificación** The process of searching self-criticism and economic reform designed to make socialism more efficient in Cuba.

**Regidor** A councilman in a *cabildo*.

**Reino** Kingdom. Usually used in the medieval period to describe each of the various Christian kingdoms on the Iberian peninsula, it later applied to any jurisdiction over which a claim of sovereignty was asserted.

**Reinóis** Literally "of royalty," this term identified elites born in Portugal and appointed by the

- Portuguese crown to serve loyally the colonial administration in its effort to preserve Portuguese dominion over Brazil.
- Relação, pl. relações** A high court in colonial Brazil that combined judicial and administrative functions.
- Repartimento** (1) An assignment of indígenas or land to a Spanish settler during the first years of the Conquest. (2) The periodic conscription of indígenas for labor useful to the Spanish community. (3) The mandatory purchase of merchandise by indígenas from royal officials; also *repartimiento de mercancías*.
- Repartimiento de mercancías** See *Repartimiento* (sense 3).
- República de españoles** The form of colonial governance created by Spanish imperial authority, which excluded Muslims, Jews, Protestants, and all foreign nationals and empowered Spanish nobility to regulate colonial affairs on behalf of the king.
- República de indios** Sixteenth-century administrative reforms introduced into the Spanish American colonies that recognized the natural authority of traditional indigenous leaders to govern their communities, subject to Spanish royal control.
- Requerimiento** Literally “the Requirement,” this describes the mandatory reading of a document that outlined the legal and moral rationale for the Spanish conquest and enslavement of indigenous American peoples, citing Spain’s sovereign authority under God, the Catholic pope, and God’s divinely ordained monarch.
- Resguardos** Native communal lands in nineteenth-century Gran Colombia.
- Residencia** A judicial review of a colonial official’s conduct at the end of his term of office.
- Saladeros** Salt plants in Argentina that processed dried beef for overseas export.
- Samba** A song and dance that originated in Afro-Brazilian favelas, drew heavily on Angolan and Congolese cultural traditions, and gave voice to subaltern social-class discontent.
- Santería** A religion, popular in Cuba and the Caribbean more generally, that combines Spanish Catholic and African traditions and ritual celebrations.
- Senado da Câmara** A municipal council in colonial Brazil.
- Seringueiros** Independent rubber tappers whose survival depends on the preservation of Brazilian rain forests threatened by commercial ranchers and mining companies.
- Serranos** Inhabitants of the *sierra* or remote mountainous regions in Spanish America.
- Sertanejos** Inhabitants of the sertão.
- Sertão** Underdeveloped backlands of Brazil, especially in the impoverished northeastern region.
- Sierra** The remote mountainous regions of Spanish-speaking Latin America more generally but also used to describe the guerrilla insurgency in the Cuban Revolution.
- Social corporatism** A political economic system that relies on diverse, relatively autonomous private organizations with State-licensed representational monopolies to regulate social, political, and economic participation and secure cooperation with State policies.
- Solares** Substandard tenement houses in urban Cuba
- Soldaderas** Women who often fought, gathered military intelligence, fed insurgent troops, and provided medical care to those wounded in the Mexican Revolution.
- Son** First developed among rural Afro-Cuban workers, a musical genre that combined Spanish melodies and the syncopated rhythms of West Africa and that, by the middle of the twentieth century, became the dominant musical form identified with Cuban popular culture.
- Soviets** Derived from the Russian word for “councils,” this refers to locally elected governing bodies typically composed of workers and peasants who collectively manage and operate the agricultural and industrial enterprises that employ them.

**State corporatism** A political economic system in which theoretically autonomous private organizations with State-licensed representational monopolies actually seize control of the State to use its resources and coercive power to build patron-client relationships with rank-and-file members.

**Syndicalism** The political philosophy that eschews electoral politics in favor of working-class solidarity, direct action, and trade union organization as the foundation both for popular resistance to an unjust capitalist wage system and for the postcapitalist management of a democratic socialist alternative.

**Tenente** A Brazilian army lieutenant, usually associated with junior army officers who sought political, economic, and social reforms in the 1920s.

**Tezontli** From the Nahuatl language, this word describes a reddish volcanic rock often used in the construction of Aztec houses.

**Tienda de raya** A hacienda's company store, which typically exploited its commercial monopoly to coerce a stable labor supply through debt peonage.

**Tierras baldías** Literally "idle lands," refers to untitled lands that legally belonged to the state for disposition as "public lands," even though peasant families may have resided upon them and cultivated them to basic subsistence crops for generations.

**Tierras comunes** Literally "common lands," this refers alternately to collectively owned indig-

enous lands or to publicly owned lands whose use was traditionally shared.

**Tomas de tierra** Literally "land seizures," this is a strategy of "direct action" organized by landless peasant movements to combat perceived social injustice by invading and occupying privately owned lands.

**Valorization** The system devised by Brazilian coffee oligarchs to use the nation-state's resources to purchase, warehouse, and market surplus coffee production in order to stabilize international coffee prices at levels sufficiently high to guarantee profits for the coffee plantations.

**Vaqueros** Cowboys.

**Villa de señorío** Towns that traditionally functioned independently of the crown and fell under the authority of either the Catholic Church or the nobility.

**Visita** A judicial investigation of indigenous villages to ascertain their capacity to pay royal tribute or to examine a colonial official's conduct in tribute collection; a tour of inspection or other official visit, usually made unannounced.

**Visitador** An official entrusted by the crown or the viceroy with the conduct of a *visita*.

**Yanacona** (1) A servant or retainer of the Inca in ancient Peru. (2) An indigenous laborer or tenant farmer of semiservile status attached to a Spanish master or estate in colonial Peru.

**Zambos** The offspring of sexual liaisons between Africans and indigenous Americans.

# INDEX

- Abad y Queipo, Manuel, 113  
Abalos, José, 158  
Abertura policy (Brazil), 505  
Abolition and abolitionism: enslavement of indigenous peoples and, 83; Bolívar and, 219; in Brazil, 223, 225–228, 260–261; in United States, 225; in Cuba, 233; in Venezuela, 238–239  
Abortion: in El Salvador, 301; in Chile, 428  
Abrams, Elliot, 495  
Absolutism: in Spain, 95; Bourbon reforms and, 135–137  
Acapulco, trade with Manila, 91  
Acción Democrática (AD, Venezuela), 483, 484, 485, 488–489  
Acculturation of indigenous peoples, 151  
Acheson, Dean, 574  
Acosta, José de, 87, 88, 107  
Acuña, Hernando de, 47  
Adams, John Quincy, 562  
Additional Act (1834, Brazil), 222, 224  
Adelantado, 72  
“Adiciones” to Plan of Guadalupe, 323  
Administration: by bureaucracy, 10; of Inca civilization, 31; colonial, 95–96; by royal agents, 96–98; provincial, 98–99; monarch’s concessions to maintain loyalty and, 100; of Brazil, 129–130. *See also* Government; specific countries  
Afonso Arinos Act (Brazil), 350  
Africa: Portugal and, 52–53; Cape of Good Hope and, 53; slaves from, 53, 115–116; Cuban involvement in, 581. *See also* Slaves and slavery; Slave trade  
Afro-Brazilians, 339, 340, 345, 349, 350  
Afro-Colombians, 476, 477  
Afro-Cubans, 232 (illus.), 376, 377, 381, 530–531, 555–556; discrimination against, 233; in Cuban Rural Guard, 380; U.S. and, 380; insurrection by, 382 (illus.); culture of, 384–385; status of, 398  
Afterlife, belief in, 19  
Agrarian law, 409  
Agrarian provisions: in Constitution of 1917 (Mexico), 324  
Agrarian reform: lack of, 176; in Guatemala, 266, 441, 442; in Mexico, 316, 319, 323, 326, 328, 330–331, 518; in Brazil, 346, 501, 506; in Cuba, 392–393; in Ecuador, 415; in Chile, 430; in Nicaragua, 455, 521; in El Salvador, 461–462; in Colombia, 470, 475; in Venezuela, 483, 485, 494. *See also* Land reform  
Agrarian Reform Act (1964, Ecuador), 414  
Agrarian unrest, in Mexico, 251  
Agricultural communes: in Nicaragua, 453  
Agriculture, 8; of Maya, 9, 18; in Chibcha chiefdoms, 10; of Taino, 12; in Teotihuacán, 15; Aztec, 23, 27, 28; in Peru, 29, 229–230, 411, 412; of Incas, 31–32; Spanish, 37, 136; in Castile, 39; commercial, 85–86; on haciendas, 85–86; in Spanish America, 86–88, 139; in Mexico, 139, 199, 249; large estates in, 193; Juárez policy and, 204; labor for, 245–246; in Brazil, 264, 265, 341, 506; in Guatemala, 266, 442–443; in El Salvador, 267; in Nicaragua, 267, 453; in Argentina, 372; in Cuba, 385, 391–392, 554; in Ecuador, 414; in Chile, 430; in Colombia, 470; in Venezuela, 481, 483, 490; ejido sector in Mexico, 518, 519. *See also* Haciendas (estates); Landowners; Latifundio (great estate)  
Aguascalientes convention, 321–322  
Aguilar, Jerónimo, 63  
Aguinaldo, Emilio, 379  
Aguirre, Lope de (“the Wanderer”), 74–75  
Aguirre Beltrán, Gonzalo, 303  
Agustín I (Mexico), 175  
Ahuitzotl (Aztec), 28  
Alamán, Lucas, 86, 104, 199  
Al-Andalus, 37  
Alberdi, Juan Bautista, 208  
Albizu Campos, Pedro, 570  
Albuquerque, Alfonso de, 54  
Alcabala (sales tax), 42, 89, 153  
Alcaldes, 39, 42  
Alcaldes mayores, 82; as provincial administrators, 98–99  
Alcoholism, in Mexico, 250  
Além, Leandro, 254  
Alemán, Mateo de, 50  
Alemán, Miguel, 333, 334  
Alencar Caselo Branco, Humberto de, 283  
Alessandri, Arturo, 425, 426–427  
Alessandri, Jorge, 429, 432, 434  
Alexander VI (Pope), 43; Treaty of Tordesillas and, 55  
Alfonsín, Raul, 512, 513  
Alianza Popular Revolucionaria Americana (APRA), 406, 409–410, 418–420  
Aljubarrota, battle at, 52  
*Allegory of the Departure of Dom Pedro II for Europe After the Declaration of the Republic* (illus.), 261  
Allende, Salvador, 295, 311, 508  
Allende Gossens, Salvador, 282, 421, 429, 430, 432–437, 433 (illus.), 580; socialism of, 282; as president of Chile, 432–437; overthrow of, 436; CIA and, 580  
Alliance for Progress, 281, 578; Ecuador and, 414; Nicaragua and, 450; Colombian Communist Party and, 473; results of, 578  
Almacenes del Pueblo (People’s Grocery Cooperatives): in Chile, 435  
Almagro, Diego de, 66, 71  
Almanacs, 20  
Alphabet (Mayan), 20  
Alpiréz, Julio Roberto, 311  
Altamira caves, 36  
Altiplano, 9  
Aluminum industry, in Venezuela, 492  
Alvarado, Pedro de, 62, 65  
Alvarado Rivera, María Jesús, 405  
Alvarez, Juan, 183, 201  
Álvarez, León, 386  
Alvear, Marcelo de, 364–365  
Alves de Lima, Luis, 223  
Alzate, Antonio de, 148  
Amalgamation process (silver), 88  
Amazon Development Agency (Brazil), 506  
Amazon region: Brazilian tribes of, 9; archaeological evidence of, 11n  
Amazon River: naming of, 71; Aguirre’s expedition and, 74–75  
America, 56–60; ancient, 4; first human habitation of, 7–8; early civilizations in, 14–17; European conquest of, 52–75; naming of, 61; papal grant to Castile and, 78; spiritual conquest of, 101–104. *See also* Ancient America; Indies; Spanish America

- American Indians. *See* Indigenous peoples
- American Revolution, 159
- American Sanitary Commission: yellow fever and, 380
- Amigas del Pueblo (AP), 315
- Amnesty, for Colombian guerrillas, 473
- Amnesty International, on Colombia, 478
- Anaconda Copper Co., 423, 429
- Anarchism, in Chile, 260
- Ancestors: of Ancient Americans, 7
- Anchietta, José de, 125
- Ancient America, 4, 7–35; peoples of, 7; migrations to, 7–8; Aztec civilization of, 9, 14, 23–29; Inca civilization of, 9, 14, 30–34; demographic history of, 11–12; Maya civilization of, 12, 13, 14, 17–23. *See also* specific peoples
- Ancón, Treaty of, 256
- Andagoya, Pascual de, 66
- Andalusia, 37, 45; Reconquest in, 38
- Andean Initiative, 308, 309
- Andean region: altiplano of, 9; civilizations of, 12–14; in Classic period, 13; coastal civilizations of, 29; Incas of, 29; highland civilizations of, 29–30; repartimiento in, 81; mita in, 142; Martín in, 167; Colombia and, 240; land in, 245; Peru and, 401–407, 409–413, 415–420; Bolivia and, 407–409; Ecuador and, 413–415. *See also* War on Drugs; specific countries
- Andean Regional Initiative, 480, 592
- Anderson, Clayton, 412
- Andrade, Oswaldo de, 342, 502
- Andreas, Dwayne, 557
- Andrés Pérez, Carlos, 468
- Anglo-American competition: for influence in Mexico, 199
- Anglo-Brazilian treaty: banning slave trade, 225
- Anglo-Chilean capitalists, 229, 230
- Anglo-Chilean companies: in nitrate industry, 255
- Angola: Cuban aid to, 581
- Angostura: Bolívar in, 165, 166
- Aniceto Rodríguez, Margo, 390
- Animals: prehistoric, 8; Aztec, 26; of Andes, 29; Spanish domestic, 86–88. *See also* Cattle industry; specific animals
- Annexation, U.S. interest in Cuba and, 233
- Anticlericalism, 190. *See also* Catholic Church; Clergy
- Antidiscrimination law, 350
- Antilles, 61
- Anti-Personalist wing: of Argentinean Radical Party, 365
- Anti-Sandinista coalition (UNO), 585
- Anti-Semitism, 45–46. *See also* Jews
- Antislavery movement, 260; in Brazil, 222–228
- Antofagasta: nitrates in, 255–256
- Apaches, 105
- Apatzingan: constitution drafted at, 174
- APRA. *See* Alianza Popular Revolucionaria Americana (APRA)
- April 19 Movement (M-19), 474
- Apristas. *See* Alianza Popular Revolucionaria Americana (APRA)
- Aqueducts: Aztec, 27
- Arab oil embargo, 498
- Arabs: numeration system of, 20; spice trade and, 53–54. *See also* Muslims
- Aragon, 38; civil war of 1462–1472 in, 40; unity with Castile, 40; autonomy of, 95
- Araucana, La* (Ercilla), 73
- Araucanian people, 68, 71; revolt by, 153; Chile and, 256
- Araujo, Arturo, 458
- Arawak Indians, 62, 77
- Arbenz Guzmán, Jacobo, 309, 441, 446, 576, 577
- Arce, Manuel José, 216–217
- Archaeology: evidence from, 7–8, 11n; about Maya, 19
- Archaic period, 13, 29
- Architecture: in Classic period, 13; of Maya, 21; in Tiahuanaco, 30; Spanish, 43
- Arcos, Santiago, 214
- Areche, José Antonio de, 140, 154
- ARENA. *See* Nationalist Republic Alliance (ARENA, El Salvador)
- Arequipa, 30
- Arévalo, Juan José, 440, 441, 576, 577
- Argentina: domestic animals imported into, 88; liberation movement and, 161, 163; independence of, 166, 205–212; junta in, 166; conflict within, 167; unification and, 205–212; government of, 206, 207; war between Confederation and Buenos Aires in, 208; Mitre as president of, 209; Paraguayan War and, 209–211; economy in, 211, 252–255, 357–359, 363, 367–368, 370–371; immigrants in, 211, 253, 357; technological changes in, 211; Brazil and, 224; consolidation of, 252; rulers of, 252; politics in, 252–255; labor in, 255, 363, 366, 367, 368, 374; neoliberalism in, 288; democracy in, 356; populism and, 356; foreign investment in, 357; inflation in, 357, 359, 363, 365, 372, 373, 374, 513; exports in, 357–359, 358–359; women in, 358, 359, 361, 362, 362 (illus.), 364, 365, 366, 368–371; distribution of income in, 359; society in, 359–361; radical era, 361–363; conservative restoration in, 366–368; “infamous decade” in, 366–368; U.S. investment in, 367, 573; military coup in, 368; World War II and, 368–370; Perón in, 368–373; postwar economy in, 370–371; economic crisis in, 373, 512, 514, 530–531; military dictatorship, 373–375; dictatorship and neoliberalism in (1976–1990), 511–514; poverty in, 512; foreign debt and, 513; health in, 513; protest movements, 513; working class in, 513; human rights in, 514; U.S. involvement in, 573; Nixon and, 580. *See also* Buenos Aires; Constitutions; specific leaders
- Argentine Association for Women’s Suffrage, 367
- Argentine Confederation, 208
- Argentine League for Human Rights, 512
- Argentine Patriotic League pogroms, 364
- Argentine Republic, Buenos Aires as capital of, 208–209
- Árias Bernal, María, 320
- Aristide, Jean-Bertrand, 287, 583, 583 (illus.)
- Aristocracy, 194; of Maya, 19; in Spain, 49, 94; in Indies, 110; native, 112; in Spanish America, 151; dominance of, 176; in Mexico, 205; in Argentina, 206; in Chile, 214; in Brazil, 221. *See also* Elites
- Aristocratic hegemony, 94
- Arizona, 70, 563
- Armada (Spain), 48
- Armed forces. *See* Military
- Arobe, Francisco de, 117 (illus.)
- Arpilleras*, 510
- Arriaga, Camilo, 315
- Arriaga, Ponciano, 197, 200, 201, 203
- Arróm, Silvia, 153
- Artigas, José Gervasio, 167, 205
- Artisans, 10; of Maya, 19; Aztec, 28; Inca, 33, 34; in Spain, 46; in Brazil, 133; in Colombia, 240, 241
- Artistic culture, 13. *See also* Arts; Culture
- Arts: in postclassic period, 14–15; Olmec, 15; of Maya, 21, 21 (illus.);

- Aztec, 28; Chavín, 30; of Inca, 35; of Muslim Spain, 37; in Spain, 50–51; in colonial era, 108–110; in colonies, 147; in Mexico, 326–327; in Brazil, 343, 501–505; in Chile, 431–432
- Asia: invaders from, 7–8; European colonialism in, 53; trade with, 91; financial crisis in, 526
- Asiento, 83
- Assassinations, 4–5; of Pizarro, 68; in Cuba, 385; in Guatemala, 446. *See also* specific individuals
- Assimilation, of indigenous peoples, 150
- Astrolabe, 53
- Astronomy, 13, 108
- Asunción, Paraguay, 71
- Atacama Desert, 255
- Atahualpa (Inca), 14, 31, 66, 67, 67 (illus.)
- Atlatcatl Battalion, 465, 466
- Atlantic coast peoples, 455–456
- Atlantic Ocean region: Portuguese exploration of, 54–55
- Audiencia (high court), 97; in Mexico, 66; in New Spain, 79; government by, 96; in 16th century Spanish America, 97 (illus.); creoles in, 146; in Cuzco, 156
- Augustinians, 103
- Auténtico Party (Cuba), 387, 388
- Authoritarianism, 287
- Auto-da-fé, 106, 148
- Automobile industry: in Mexico, 334
- Avándaro Music Festival (1971, Mexico), 336, 336 (illus.), 337
- Ávila Camacho, Manuel, 333
- Axis powers: Brazil and, 348, 349; Guatemala and, 440
- Ayacucho, 30, 169
- Ayllus (kinship group), 32, 33, 112, 156
- Aylwin, Patricio, 536–537
- Aymara Rebellion, 402
- Azcapotzalco, 23–24, 28
- Azcuy, Adela, 378
- Azores, 53, 123
- Aztecs, 9, 10, 23–29; gods of, 15; in 1519, 16 (illus.); human sacrifice by, 20; imperial expansion by, 23–26; warfare in, 24–26, 69; militarism, 26; education of, 26–27; culture and society of, 26–29; legal system, 27; political system, 28; Spanish and, 61–62, 65; as New Spain, 65; *Natural and Moral History of the Indies* (Acosta), 107; classes in, 112–115; Mexican culture and, 327
- Bachelet, Michelle, 591 (illus.)
- Bachelor, Steven, 334
- Backcountry of Brazil, 127
- Badamler, Basilio, 142
- Bahamas, Columbus in, 55
- Bahia revolt, 222
- Baja California, 249
- Bajío, 171
- Balaguer, Joaquín, 302
- Balaíada rebellion, 222
- Balance of payments: in Argentina, 357, 371, 372, 373; in Brazil, 505; in Mexico, 514–515
- Balance of power (Spain), 6
- Balance of trade, 278–279
- Balboa, Vasco Núñez de, 61, 66, 72
- Balbuena, Bernardo de, 108, 117
- Balmaceda, José Manuel, 213, 216, 258–260, 422
- Balmis, Francisco Xavier, 136
- Balta, José, 230
- Bananas: Nicaragua plantations and, 267; exports from Guatemala, 440
- Bana Orienta. *See* Uruguay
- Banco de Avío (Mexico), 197, 199
- Banco de Chile, 431
- Banco de Crédito Ejidal (Mexico), 331
- Bandeirantes (slave hunters), 125
- Banderas, Quintín, 382
- Bandits, 401
- Bands, 9
- Bank of Mexico, 328
- Banks: in Peru, 230; in Colombia, 271; defaults on international loans and, 284; Cuba and, 384; nationalization in Mexico, 515
- Banzer Suárez, Hugo, 304
- Barbosa, Ruy, 263
- Barbudos (bearded revolutionaries), 390
- Barcelona, 40
- Barriadas (slums), 407. *See also* Barrios (slums); Slums
- Barriers to trade. *See* Tariffs
- Barrig, Maruja, 300
- Barrios, Gerardo, 218
- Barrios, Justo Rufino, 245, 246, 266
- Barrios de Chungara, Domitila, 408
- Barrios (slums), 117. *See also* Barriadas (slums); Slums
- Barzola, María, 408
- Barzolas (female secret police, Bolivia), 408
- Bases and Points of Departure for the Political Organization of the Argentine Republic* (Bautista Alberdi), 208
- Basic Units of Cooperative Production (UBPC), 554
- Bastidas, Micaela, 155 (illus.), 413
- Batista y Zaldivar, Fulgencio, 279, 386–390; uprising against, 281; United States and, 573
- Battalion, 316
- Bay of Pigs invasion (Cuba), 311, 391, 392, 578
- Bazin, Marc, 583
- Bazuco (crack cocaine), 475
- Beef market, 367
- Beet sugar, 232
- Belaúnde Terry, Fernando, 409–410, 415, 416
- Belgrano, Manuel, 159, 161
- Belize: Maya in, 17; and United Provinces of Central America, 216n
- Bell, J. Franklin, 5
- Belli, Gioconda, 299
- Benavente, Toribio de. *See* Motolinía (Friar Toribio de Benavente)
- Benedict (Pope), 307
- Benefits (worker), 347
- “Benkos Biojo” (Colombia), 477
- Bennassar, Bartolomé, 4
- Bentham, Jeremy, 190, 206
- Berbers, Spain and, 38
- Berger, Mark T., 559
- Bering Strait migration, 7
- Berkeley school, 11–12
- Bermejo y Roldán, Francisco, 110
- Bermúdez, Enrique, 584
- Bernardes, Artur da Silva, 342
- Betancourt, Rómulo, 389, 482–487; military and, 484–487; Cuban Revolution and, 488
- Betancur, Belisario, 475
- Bialet Masse, Juan, 358
- Big-game hunters, 8
- “Big stick” policy of United States, 277, 566
- Bilbao, Francisco, 183, 190, 213 (illus.), 214
- Bilingualism, 181
- Biotechnology, 553, 554
- Birthrate: of Brazilian slaves, 132
- “Biru,” Peru as, 66
- Bishop, Maurice, 582
- Black Death, 40
- Black Experimental Theater (TEN, Brazil), 349
- “Black Legend,” 5, 12
- Blacks: as slaves, 81, 82–83; in racial mixture, 110–111; in colonial social order, 115–116; status of, 115–116; in Brazil, 124–126, 343; in Spanish America, 150; revolts by, 152–153; in Venezuelan Federal War, 239
- Black Women’s National Congress (Brazil), 350
- Blaine, James G., 564
- Blair, Tony, 588
- Blockade of Cuba, 281
- Blue Shirts (Nicaragua), 449

- Bobadilla, Francisco de, 56  
 Boff, Leonardo, 307  
 Bogotá, 71, 137; chiefdom at, 10;  
   Bolívar and, 166; distances to, 237  
 Boland Amendment, 584  
 Bolaños, Enrique, 590  
 Bolívar, Simón, 163–166, 163 (illus.),  
   175, 175 (illus.); San Martín and,  
   167; in Peru, 168, 228; abolition  
   of slavery and, 219; Colombia and,  
   235, 236, 237; Venezuela and, 235  
 “Bolivarian Circles,” 494  
 “Bolivarian Democracy,” 494  
 Bolivia, 12, 88, 407–410; Tiahuanaco  
   in, 30; revolt of 1780–1781 and, 156;  
   Upper Peru as, 205; nitrate industry  
   in, 215, 255–256; War of the Pacific  
   and, 255–256; war with Chile (1879),  
   256; social revolution in, 407–409;  
   land reform in, 408; mining crisis in,  
   408; U.S. involvement in, 574, 590;  
   revolution in (1952), 576; military  
   government in, 578. *See also* specific  
   leaders  
 Bolivian Revolution, 407–410  
 Boltvinik, Julio, 286  
 Bonampak frescoes, 21, 21 (illus.)  
 Bondage system in Peru, 245  
 Bonifácio de Andrada, José, 170  
 Books: of Maya, 20; Aztecs and, 24; in  
   colonies, 148  
 Borah, Woodrow, 3, 11, 12  
 Border (Chilean-Bolivian), 255  
 Border zone: maquiladoras in Mexico  
   and, 517  
 Borge, Tomás, 450, 452, 456  
 Borón, Atilio, 530  
 Bossa nova (Brazil), 352  
 Bossay, Luis, 429  
 Bourbon dynasty: colonial administration  
   and, 135–147; Mexico and, 170  
 Bourbon reform objective, 146–147  
 Bourgeois democratic revolution  
   (Venezuela), 483  
 Bourgeoisie, 277, 278, 291–293; in  
   Mexico, 205, 333–334; Argentine  
   Radical Party and, 254; in Chile,  
   258; in Brazil, 263  
 Bourgeois revolution (Brazil), 345–351  
 Boves, José Tomás, 164  
 Boxer, Charles R., 125, 131  
 Boyacá, 166  
 Brading, David, 139  
 Brady, Nicholas, 491  
 Brady Plan, 285, 530  
 Brasília, 352  
*Brasil Mulher*, 504  
 Brazil, 352, 353, 500–501, 507, 525,  
   526; Portugal and, 6, 124–126;  
   Amazon basin tribes in, 9; Cabral in,  
   53–54, 61; colonial, 122–134, 123  
   (illus.), 355; indigenous peoples in,  
   124–126; labor in, 124–126; mixed  
   race soldiers in, 124 (illus.); Dutch  
   in, 126; minerals in, 126–128;  
   church in, 128–131; government of,  
   128–131, 224–225; administration  
   of, 129–130; militia in, 130;  
   slavery in, 131–133, 132 (illus.),  
   225–228; gold from, 140; liberation  
   movement and, 163; independence  
   of, 169–170, 220–221, 220–228;  
   Uruguay invaded by, 205, 209;  
   Argentinean war with, 205–206;  
   Paraguay governed by, 211; Dom  
   Pedro and, 221–222; economy in,  
   224, 260–265, 283–284, 340–349;  
   politics in, 225, 260–265, 345–347;  
   antislavery movement in, 225–228,  
   260–261; immigration to, 227,  
   265; fall of monarchy in, 260–262;  
   republic in, 262–263; 1964  
   democratic upheaval in, 280; Goulart  
   and, 280, 353–355; Alencar Caselo  
   Branco in, 283; old republic in, 340–  
   345; postwar industry and labor in,  
   341–342; culture and political unrest  
   in, 342–344; feminism in, 343–344,  
   504; economic crisis in, 344–345,  
   505–506, 509–510; voting in, 347;  
   worker benefits in, 347; Germany,  
   Italy, and, 348; labor code in, 348;  
   ownership of industries in, 348;  
   military in, 348–349, 506–508;  
   World War II and, 348–349; women  
   in, 349; United States and, 350, 564,  
   573; reform and reaction in, 351–  
   355; Quadros regime in, 352–353;  
   oil industry and, 355; dictatorship  
   and neoliberalism (1964–1990),  
   499–508; denationalization of  
   economy in, 500–501; end of  
   economic miracle in, 501; public  
   health in, 501; recession of 1973–  
   1974 and, 501; youth protests  
   in, 501–505; protest music in,  
   502, 503; dictatorship in crisis in  
   (1978–1983), 505–506; struggle for  
   rights in, 505–506; electoral politics  
   in, 506; land in, 506, 524–525,  
   526; presidential vs. parliamentary  
   systems in, 507; neoliberalism in,  
   508, 523–529; Northeast and  
   Amazon regions of, 527; Nixon  
   and, 580. *See also* Agrarian reform;  
   Agriculture; Constitutions; specific  
   leaders  
 Brazilian Black Front (FNB, Brazil), 345  
 Brazilian Black Movement, 301  
 Brazilian Federation for the  
   Advancement of Women (FBPF),  
   344, 345  
 Brazilian Institute of Higher Studies, 500  
 Brazilian Labor Confederation, 265  
 Brazilian Society for the Defense of  
   Tradition, Family, and Property, 507  
 Brazilian Women’s Federation, 349, 352  
 Brigadistas (Nicaragua), 456  
 Britain. *See* England (Britain)  
 British Guiana. *See* Guiana  
 Brujo, El. *See* Hernández Martínez,  
   Maximiliano  
 Brundenius, Claus, 397  
 Bruno, Giordano, 57  
 Bryan-Chamorro Treaty (1916), 448,  
   569  
 Buarque, Chico, 504  
 Bucareli y Ursua, Antonio María, 140  
 Buccaneers (French), 93  
 Bueno, Pimenta, 225  
 Buenos Aires, 71, 205; viceroyalty of,  
   143; English attack on, 161; creole  
   party in, 166; Argentine constitution  
   and, 208; as separate province, 208;  
   as capital, 252; rivalry with caudillos,  
   252; economic development in,  
   357–359. *See also* Argentina  
 Buffon, Georges de, 149  
 Bullion shipment, 91  
 Bulnes, Manuel, 213–214  
 Bunau-Varilla, Philippe, 567  
 Bunge, Carlos, 183  
 Bunker, Ellsworth, 579  
 Bureaucracy, 10; Mayan, 19; Aztec, 28;  
   expansion of, 195; in Chile, 427  
 Burgundy, Charles V and, 47  
 Burkhart, Louise M., 103  
 Bush, George H. W.: El Salvador and,  
   466; Haiti and, 583; Panama  
   invasion and, 585–586; new world  
   order of, 587–592  
 Bush, George W., 308, 480; Venezuela  
   and, 495; intervention and, 589; on  
   nation-building, 589  
 Bush, Jeb, on Ortega, 590  
 Business, of Cortés, 85  
 Bustamante, Carlos María, 180  
 Caamaño, Francisco, 309  
 Cabanagem revolt (Brazil), 222  
 Cabeza de Vaca, Alvar Núñez de, 69, 73  
 Cabildos (town councils), 98, 99, 170  
 Cabinet (Brazil), 346–347  
 Cabot, John Moors, 442, 577  
 Cabral, Pedro Álvares, 53, 61, 122  
 Cabrera, Luis, 322  
 Cacao, 89, 267

- Cáceres, Andrés, 231, 401  
 Cacique families, 113  
 Caciques apoderados (Bolivia), 402  
 Caciques (chiefs), 98  
 Cádiz, 162; merchant monopoly of, 91;  
 trade monopoly of, 137, 138n, 166  
 Caffarena, Elena, 423, 428  
 Cajamarcca, 30  
 “Calabar O Elogio da Traição” (“Calabar  
 In Praise of Treason”) (Buarque), 504  
 Caldera, Rafael, 489, 492  
 Calderón, Fanny, 186  
 Calendar: Olmec, 14; Mayan, 20  
 Cali drug cartel (Colombia), 468, 475,  
 476, 477  
 California, 200; cession to U.S., 200;  
 Mexican-Americans in, 201; U.S.  
 acquisition of, 562–563; U.S.  
 transportation to, 563  
 Calleja, Felix, 174  
 Calles, Plutarco Elias, 326, 328–330  
 Calles Law, 329  
 Calmon, Pedro, 263  
 Calpulli (Aztec landholders), 4, 23  
 Calva, José Luis, 519  
 Camacho, 333  
 Câmara, Helder, 305  
 “Caminhando” (Brazilian song), 502  
 Campadres, Los (Cuba), 394  
 Campaña de crédito: in Venezuela, 268  
 Campbell, John, 93  
 Campesinos: in El Salvador, 268, 457,  
 458; in Chiapas, 519. *See also*  
 Farmers and farming; Peasants  
 Campillo, José, 137  
 Campos, Roberto, 500  
 Campos Sales, Manuel Ferraz de, 264  
 Canada, NAFTA and, 518, 587  
 Canals: Aztec, 27; in Nicaragua, 447,  
 569. *See also* Panama Canal  
 Canal Zone, 581, 585  
 Canary Islands, 54  
 Cancillerías, 41  
 Candomble (Brazilian religion), 343  
 Cañete (Viceroy), 74  
 Cannibals, 60  
 Cano, María, 470  
 Canosa, Jorge Mas, 311  
*Cantata de Santa Maria, La* (Jara), 432  
 Canterac, José de, 169  
 Canudos, 262, 263  
 Cão, Diogo, 53  
 Cape Bojador, 53  
 Cape of Good Hope, 53  
 Cape Verde Islands, 123  
 Capital: in Europe, 57; free movement  
 of, 288  
 Capital cities, wealth in, 117  
 Capital flight, from Peru, 418  
 Capitalism, 57, 185, 277; in colonial  
 economy, 5–6, 93–94; colonial, 94;  
 retardation of, 194; in Paraguay,  
 209; in Chile, 212; in Peru, 229,  
 418, 419; in Colombia, 270–271,  
 470; industrial and financial  
 oligarchies and, 280; international  
 rivalries in, 282; in Mexico, 326,  
 337, 338; in Nicaragua, 453; in  
 Argentina, 531  
*Capitalism and Underdevelopment in Latin  
 America* (Frank), 93n  
 Captaincy: system in Brazil, 122–124; of  
 “São Paulo and the Mines of Gold,”  
 127  
 Captain general, 129, 145  
 Caracas: liberation movement and, 163;  
 2000 meeting of Latin American  
 countries in, 495  
 Caracas Company, 137  
 Carbajal, Francisco de, 68  
 Cardenal, Ernesto, 452  
 Cárdenas, Cuauhtémoc, 516, 519  
 Cárdenas, Lázaro, 279, 303, 330–333;  
 election of 1940 and, 333; oil  
 industry and, 515, 516  
 Cardoso, Fernando Henrique, 525–526,  
 528  
 Caribbean region: sugar production in,  
 54–55; Columbus in, 55–56; early  
 Spanish voyages in, 59; Spanish  
 voyages in, 59 (illus.); smuggling  
 and, 137; as American “lake,” 246,  
 564, 566; United States in, 279, 281,  
 563, 566, 568 (illus.), 571; modern  
 nations in, 378 (illus.). *See also*  
 specific countries  
 Carib people, 60  
 Carlota, 232 (illus.)  
 Carmona, Pedro, 496, 589  
 Carnegie Commission, 589  
 Carnival, in Brazil, 341  
 Carranza, Venustiano, 320, 321, 571;  
 conflicts with Villa, 321; United  
 States, 321, 323; “Adiciones” to Plan  
 of Guadalupe and, 323; Mexican  
 Constitution of 1917 and, 324–325;  
 as Mexican president, 325  
 Carrasco Pirard, Eduardo, 353  
 Carrera, Rafael, 217, 265  
 Carrillo Puerto, Elvia, 328  
 Carrillo Puerto, Felipe, 327  
 Cartagena, 91, 137, 164–165  
 Cartels (nitrate production), 259  
 Carter, Jimmy: Nicaragua and, 452;  
 Cuba and, 553, 557; Latin American  
 policy of, 581; Haiti and, 583 (illus.)  
 Carvajal, Luis de, 106  
 Carvalho, Manoel de, 221  
 Casa de Contratación, 138  
 Casa de las Américas, 395  
 Casa del Obrero Mundial, 316, 319, 323,  
 325  
 Casariego, Mario, 443  
 Casas Romero, Luis, 385  
 Cash crops, 138  
 Caso, Alfonso, 303  
 Castas (mixed-race persons), 5, 110, 150  
 Castelo Branco, Humberto de Alecar, 355  
 Castes, 110–121. *See also* Class  
 Castile, 37; Muslims in, 37; León and,  
 38; Reconquest and, 38–39; Cortes  
 (parliament) in, 39; unity with  
 Aragon, 40; Council of, 41; Charles  
 V and, 47; conquistadors from, 72;  
 bureaucracy in, 95  
 Castilla, Ramón, 183, 184, 229  
 Castillo Armas, Carlos, 442, 577  
 Castro, Cipriano, 269, 276, 468  
 Castro, Donald, 370  
 Castro, Fidel, 383 (illus.), 389, 410, 578;  
 United States, 281, 392; uprising  
 by, 281; Moncada army barracks  
 and, 388, 389; Cuba and, 389–399;  
 economic goals of, 391; protest songs  
 and, 394; on racism, 398; Kennedy’s  
 efforts to remove, 579  
 Castro, Vaca de, 68  
 Castro Porta, Carmen, 389  
 Catalonia, Spain, 41, 49  
 Cataví massacre, 407–409  
 Catholic Church: in Spain, 42–43;  
 nature of indigenous peoples and, 76;  
 in Indies, 100–110; ideals of, 101;  
 on slave marriages, 116; in Brazil,  
 130–131; Bourbon reforms and,  
 135–137; in colonies, 146–147;  
 Consolidation and, 146–147;  
 strength of, 196; Mexico and, 199,  
 248, 327; Juárez and, 202–203; in  
 Argentina, 208; in Chile, 213; land  
 seizure by liberal governments, 245;  
 in Venezuela, 269, 487; in Colombia,  
 270, 271; change in, 304–309;  
 indigenous peoples and, 308; control  
 of education by (Mexico), 324; Perón  
 and, 372; abortion in Chile and, 428;  
 in Guatemala, 443; Somoza family  
 and, 450; in Nicaragua, 451; in El  
 Salvador, 460–461. *See also* Clergy;  
 Missionaries  
 Catt, Carrie Chapman, 405  
 Cattle industry, 86–88; contraction of,  
 87; in Brazil, 127–128, 133–134;  
 ranches and, 139; in Argentina, 206;  
 in Mexico, 320; in Nicaragua, 453,  
 454; U.S. investment in, 571  
 Cauca Valley (Colombia) chiefdoms, 10

- Caudillo (strongman), 191, 194;  
 “progressive,” 192, 246; use of  
 term, 194n; chief executive as,  
 195; Artigas as, 205; Rosas as, 206  
 (illus.); in Venezuela, 237, 268; in  
 Argentina, 252
- Cavalcanti, Emiliano di, 343 (illus.)
- Cavalcanti family (Brazil), 224
- Cavallo, Domingo, 530
- Cease-fire (Colombia), 477
- Cédras, Raoul, 583
- Celestina, La* (Rojas), 43
- Celts, conquests by, 36
- Censorship, 107, 148, 189, 503
- Censorship, of colonial literature, 108
- Central America: population density  
 in, 11; civilizations of, 12–14; U.S.-  
 British rivalry in, 216–217; United  
 Provinces of, 216–218; unity of,  
 216–218; economy in, 265–268;  
 politics in, 265–268; Panama Canal  
 in, 563; Reagan and, 584–585. *See*  
*also* El Salvador; Guatemala; Maya  
 civilization; Nicaragua; specific  
 leaders and countries
- Central American Common Market  
 (CACM), 459, 578
- Central Intelligence Agency (CIA):  
 Cuba and, 391; Chile and, 434,  
 436, 580; Guatemala and, 442;  
 Sandinistas and, 452; Colombia and,  
 478; Guiana and, 579; Nicaragua  
 and, 584
- Centralists: in Mexico, 199; in Chile, 212
- Centralization: in Spain, 95; in  
 Venezuela, 268
- Centralized economy, 553
- Centralized government, 196
- Centrominperu, 412
- Ceremonial sites, 13, 17, 18
- Cerezo Arévalo, Vinicio, 439, 444, 445
- Cerro de Pasco, 88, 412
- Cervantes de Saavedra, Miguel, 50, 71
- Céspedes, Carlos Manuel de, 386
- Ceuta (Morocco), and Portugal, 52
- Cevallos, Pedro de, 143
- Chac Mools (figures), 18
- Chaco War, 210, 407
- Chalhoub, Sidney, 225
- Chamorro, Pedro Joaquín, 450, 451
- Chamorro, Violeta, 451, 452, 521, 585
- Chanchan, 30
- Chapetón (tenderfoot), 111, 151
- Chapultepec Conference (1945), 574
- Charles II (Spain), 51, 135
- Charles III (Spain), 136, 146, 154;  
 reconstruction under, 136; colonial  
 reforms and, 136–137, 137, 140;  
 mining and, 140; Inquisition and, 148
- Charles IV (Spain), 161; conservatism of,  
 136; Napoleon and, 170
- Charles V (Holy Roman Empire): as  
 Spanish ruler, 47–48; Pizarro and,  
 68; new conquests permitted by, 74;  
 Las Casas and, 78; provincial officers  
 and, 99; fear of colonial feudalism  
 by, 102
- Charters of liberties, 39
- Chasteen, John Charles, 359
- Chávez, Hugo, 302, 308, 468
- Chávez Frías, Hugo, 287, 288, 491, 493  
 (illus.), 494–496, 589, 591 (illus.)
- Chávez y González, Luis, 460
- Chavín culture, 30
- Checks and balances: in Spanish colonial  
 administration, 97–98; in Brazil, 129
- Cheek, James, 461
- Cheney, Richard, 589
- Chiapas: Maya frescoes in, 21, 21 (illus.);  
 Zapatista rebellion in, 287, 518, 519;  
 Clinton administration and, 588.  
*See also* Zapatista Army of National  
 Liberation (EZLN, Chiapas, Mexico)
- Chibás, Eddie, 387, 388, 389
- Chibcha people (Colombia), 10, 71
- Chicago Boys, 508, 509
- Chicama Revolt (1851), 229
- Chicha music (Peru), 416–418
- Chichén Itzá, 18, 19
- Chichimec people, 23, 68, 105
- Chiefdoms, 9–10, 13
- Chiefs, native, 98
- Childbirth: Aztec, 27; benefits for, 324
- Child labor, 290; in Brazil, 265; in  
 Argentina, 358; in Chile, 424
- Children: in Cuba, 398; in Venezuela,  
 489, 494
- Children of the Sun. *See* Inca civilization
- Chile, 71, 212–216; as captaincy  
 general, 145; revolt in, 153;  
 independence of, 167; San Martín  
 and, 167; government of, 212, 433,  
 435–436; politics in, 212–213,  
 255–260, 430, 431–432; economy  
 in, 213–214, 255–260, 422–423,  
 429; labor in, 215, 423, 424, 425,  
 427, 429, 430; attacks on Peru by,  
 231; development in, 244–245;  
 War of the Pacific and, 255–256;  
 reforms in, 258, 430; voting in, 258;  
 foreign economic domination in,  
 260; Parliamentary Republic in, 260;  
 working class in, 260; Allende in,  
 282, 283, 432–437, 580; Pinochet  
 in, 283, 436; United States and, 285,  
 574; democracy and, 421, 429–432,  
 538–540; political parties in, 421;  
 exports from, 422; classes in, 423;
- women in, 423–424, 427–429, 436,  
 510–511; social welfare programs  
 in, 424; populism in, 424–432;  
 Great Depression in, 425–426;  
 general strike in, 426; latifundio in,  
 426; middle class in, 426; typhoid  
 epidemic in, 426; economic revival  
 in, 426–427; abortion in, 428;  
 concentration of economic control  
 in, 431; artists as revolutionaries  
 in, 432; socialism in, 432–437;  
 neoliberalism in, 436; dictatorship  
 and neoliberalism in (1973–1990),  
 508; unemployment in, 508; CIA  
 and, 580. *See also* Constitutions;  
 specific leaders
- Chilean-Bolivian war (1879), 256
- Chilean Federation of Feminine  
 Institutions (FECHIF), 428
- Chilpancingo, 174
- Chimu empire (Peru), 30
- China: trade with, 55, 91; Brazil and,  
 353
- Chinampas (Aztec gardens), 23, 26, 27
- Chinese immigrants: as coolies in Peru,  
 229; bondage labor of, 245
- Chirinos, José Leonardo, 236 (illus.)
- Cholera epidemic: in Central America  
 (1837), 217
- Cholula, 24, 65
- Choquehanca, Diego, 156
- Christian Base Communities, 504
- Christian democracy: in Chile, 429–432
- Christian Democratic Party (PDC, El  
 Salvador), 459
- Christian grassroots organizations, 306
- Christianity: in Spanish Visigothic  
 kingdom, 36; Spanish Reconquest  
 and, 38–39; papal grant to Castile for  
 conversion and, 78. *See also* Catholic  
 Church; Protestant evangelicalism/  
 fundamentalism
- Christophe, Henri, 160
- Church: and education, 106–108;  
 decline in influence of, 189;  
 confiscation of church lands, 245,  
 266. *See also* Catholic Church;  
 Religion
- CIA (Central Intelligence Agency): Latin  
 American military forces and, 310;  
 drug smuggling and, 520
- Cid (Ruy Díaz de Vivar), 38
- Científicos, 314; in Mexico, 249, 250,  
 251, 316
- Cieza de León, Pedro, 68–69, 73
- Cigarettes, 141, 142
- Cigars, 141, 142
- Cinco de Mayo de 1862 (Mexico), 204
- Cipangu. *See* Japan

- Circum-Caribbean area chiefdoms, 10  
 Circumnavigation of globe, 61  
 Cisneros, Cardinal, 101  
 Cities: of Maya, 18; in Castile, 39; in Spain, 41; lifestyle in, 116–118; wealth in, 117; in Brazil, 134, 263; in Venezuela, 269; workers in, 341. *See also* Urbanization  
 Ciudad Juárez, Treaty of, 315  
 Civil code: Chile, 215; Venezuelan women and, 482  
 Civilianist Party (Peru), 230–231  
 Civilizations: as state level of organization, 10; of Ancient America, 11; of Nuclear America, 12–14; early American, 14–17; of Peru, 29–30; Conquest as end of indigenous, 57; brought by United States, 559. *See also* specific civilizations  
 Civil war: in Peru, 229; in Chile, 421, 422  
 Clark memorandum, 572  
 Class, 19; monarch's fear of seigneurial, 5; Aztec, 28; ruling, 110–111; in Indies, 110–121; in Brazil, 131–133; mestizo and mulatto families and, 150–151; voting and, 195; hierarchical social structure and, 196; in republican Brazil, 263; in Nicaragua, 267; structure (since 1900), 289–297; in Argentina, 359; in Chile, 423; in Venezuela, 484. *See also* Castes; Elites; Social stratification; specific classes  
 Classic Maya society. *See* Maya Classic civilization  
 Classic period, 13; end of, 13; Teotihuacán in, 15  
 Clavigero, Francisco Javier, 148, 149  
 Clayton-Bulwer Treaty, 563  
 Clearance certificates, 141  
 Clergy: in Spain, 42; reformist, 101–102; secular vs. regular, 103–104; American-born vs. peninsular, 104; moral laxity of, 104–105; moral decline of, 104–106; influence of, 136; Jesuit intellectuals and, 148; privileges of, 196; Juárez and, 203; in Brazil, 504. *See also* Catholic Church; Missionaries; specific individuals  
 Cleveland, Grover, 564, 565  
 Climate: after Ice Age, 8; in Glacial ages, 8; in Peru, 9  
 Clinton, Bill: Colombia and, 478; Haiti and, 583; Latin American policy of, 587; NAFTA and, 587; Cuba and, 588; human rights and, 588; war on drugs and, 588; Plan Colombia and, 590  
 Closed-port policy, 91  
 Clothing: of Maya, 19; Aztec, 26; European style of dress, 186, 187 (illus.)  
 Coal, 214  
 Coalition: in Argentina, 365, 366; in Colombia, 471  
 Coastal society, in Peru, 229  
 Coatsworth, John, 94n, 140  
 Coca industry: in Peru, 419; in Colombia, 475, 476, 477  
 Cocaine, 468, 475  
 Cochabamba, Bolivia, 304  
 Cochineal (dye), 87, 266  
 Cochrane, Thomas, Lord, 168  
 Codices, of Maya, 21  
 Coelho, Duarte, 124  
 Coercion: by state, 10; in colonial labor systems, 83  
 Coffee industry, 138; in Brazil, 127, 222, 227–228, 261, 264, 344, 345; in Central America, 217; in Venezuela, 238, 481; in Guatemala, 266, 439, 440; in El Salvador, 267, 457; in Nicaragua, 267; in Colombia, 270, 470  
 Coffee Institute (São Paulo), 344  
*Coffee Plantation* (Portinari), 179 (illus.)  
 Colby, William, 435  
 Cold war (United States Latin American policy during), 575–578  
 Cole, Jeffrey, 152  
 Colegio de Santa Cruz (Mexico), 103  
 Colegios (secondary schools), 104  
 Collective bargaining, 387  
 Collor de Mello, Fernando, 524–525  
 Colombia, 61, 71, 137, 468; chiefdoms in, 10; liberation of, 165–166; freedom of, 166; New Granada-Venezuela union and, 166; Panama and, 216n, 469, 567; as Gran Colombia, 235–243; economy in, 240, 270–272, 470, 472, 474, 475, 478; church lands confiscated in, 245; government of, 270–272; politics in, 270–272; drugs in, 468, 476; dictatorship in, 469, 472; women in, 469, 470, 472, 474, 474 (illus.), 477, 478; agrarian reform in, 470, 475; agriculture in, 470; Great Depression in, 470; “Revolution on the March” in, 470, 480; society in, 470; strikes in, 470; workers in, 470; bipartisan “power sharing” in, 471; coalition government in, 471; labor in, 471; counterrevolution in, 471–472; la Violencia in, 472; guerrillas in, 472–480; Army of National Liberation (ELN) in, 473, 474; National Front in, 473; poverty in, 474, 476; drug lords in, 474–478; cocaine and, 475; left-wing movements and, 476; cease-fire in, 477; “dirty war” in, 477; military aid to, 478–479; Panama Canal and, 563; compensation for loss of Panama, 572; George W. Bush and, 590. *See also* Constitutions; Guerrilla movements; New Granada; specific leaders  
 Colombian Confederation of Labor (CTC), 471  
 Colonial caste society, 180  
 Colonial era: sexuality in, 118–121. *See also* Social order, in colonial era  
 Colonial Latin America, 4; education, 106–108; fascism, 355  
 “Colonial subversive discourse,” 108  
 Colonies and colonization: in Pleistocene period, 8; by Inca, 31, 33; da Gama and, 53–54; Madeira Islands as, 54; Columbus and, 61; autonomy in, 89; commerce with, 91–92; economy in, 93–94; Brazil and, 122–134, 123 (illus.); in Brazil's mining area, 126–127; culture in, 147–148; church in, 148; education in, 148; society in transition in, 150–152; Establishment in, 159; neocolonialism and, 244–247; Dutch colonies and, 573; French colonies and, 573. *See also* Portuguese America; Spanish America  
 Colonos (farmers): in Peru, 228; in Cuba, 232  
 Color. *See* Skin color  
 Columbus, Bartholomew, 56  
 Columbus, Christopher: Spain in the time of, 44; Hispaniola and, 55–56, 77; voyages of, 55–56; assessment of, 60; on indigenous peoples, 60; wealth of, 60  
 Columbus, Ferdinand, 55  
 COMADRES (El Salvador), 461, 466  
 Comanches, 105  
*Comandos femeninos*, 407  
 Comañia de Salitres de Chile (COSACH), 423  
 Commerce: in postclassic period, 14; licensing of, 91; colonial system of, 91–92; in Spanish colonies, 137–138; Bourbon reforms of, 138; peninsular Spaniard control of, 158–161; in Peru, 229; Panama Canal and, 563. *See also* specific countries  
 Commercial agriculture, 85–86, 89. *See also* Agriculture  
 “Commission of Truth and Reconciliation” (Chile), 536

- Commission on Preventing Deadly Conflict (Carnegie Corporation), 589
- Committee of Housewives (CAC), 408
- Commoners: Aztec, 24; Inca, 34; indigenous, 114
- Common market: Argentina and, 371; in Western Hemisphere, 587
- Communal landholding system: of Inca, 32; usurpation by creole landlords, 176; in El Salvador, 267; in Peru, 401
- Communes (Nicaragua), 453
- Communication: between special units, 23; in Chile, 258–259
- Communism: in Cuba, 386; in Colombia, 471–472; U.S. role in stopping spread of, 575–578
- Communist Manifesto* (Marx), 188
- Communist Party: in Brazil, 347, 349; in Cuba, 391, 396; in Chile, 423, 427, 428, 429; in Guatemala, 441, 443; in El Salvador, 457; in Colombia, 473; in Venezuela, 483
- Communist Party congress (Cuba), 396
- “Communists,” Mexican peasant revolts and, 204
- Communist Women’s Organization (Venezuela), 486
- Comonfort, Ignacio, 201
- Compactación (structural adjustment) (Nicaragua), 521
- Compadrazgo*, 185
- Compañía (warrior band), 72
- Plot of Tacubaya (Mexico), 315
- Comte, Auguste, 261
- Comuneros: revolt in Spain, 47; revolt in New Granada, 156; in Peru, 412
- Comunidad de base (Christian grassroots organization), 306, 451
- Concentration camp, for Chilean Communist Party members, 428
- Concertaje*, 240
- Concordancia (Argentina), 366, 367
- Concubinage, among clergy, 104–105
- Condamine, Charles Marie de La, 148
- Condorcanqui, José Gabriel, 113, 155 (illus.)
- Confederación de Trabajadores Mexicanos (CTM), 331
- Confederación Regional Obrera Mexicana (CROM), 326, 331
- Conference of Latin American Bishops, 474
- Conflict, state resolution of, 11
- Conflict of interest: among planters, slave hunters, and Jesuit missionaries, 125
- Congo River, 53
- Congregations, 86
- Congregations, indigenous towns as, 115
- Congress of Angostura (Venezuela), 235
- Conquest, 52–75; nature of Spanish, 4–5; populations in 1492 and, 11–12; as theme of Spanish history, 36–37; American civilizations and, 57; reasons for Spanish success, 68–69; conquistador’s vision of, 74; in making of Latin America, 84 (illus.); problems left by, 96–97. *See also* specific countries
- Conquest of America* (Todorov), 60
- Conquest of the Desert (Argentina), 253
- Conquistadors, 4; accounts of Aztec and Inca empires, 14; in Mexico, 61–62; in Tenochtitlán, 64–65; characteristics of, 71–73; motives of, 72, 73; royal jealousy of, 95. *See also* specific individuals
- Conselheiro, Antônio, 262
- Conselho de Índia, 129
- Conservatism: in new states, 191; in Mexico, 195–196; vs. liberalism in Mexico, 199–201; in Chile, 212–213; in Central America, 216
- Conservative Party: in Mexico, 199; in Chile, 215; in Brazil, 224; in Colombia, 241
- Conservatives: in Nicaragua, 218, 267; in Venezuela, 238; in Colombia, 270, 471, 473
- Consolidación de Vales Reales*, 146–147
- Consolidated Copper company, 251
- Consolidation, 252
- Constant Botelho de Matalhães, Benjamin, 261–262
- Constituent assembly (Guatemala), 444
- Constituent Congress (1830, Venezuela), 238
- Constitutional convention: in Santa Fe (Entre Ríos) (1852), 208
- Constitutionalists (Mexico), 319, 322; Carranza-Villa conflicts within, 321
- Constitutions, 180, 195; in Venezuela, 165, 235, 483, 484, 485, 488, 491, 493 (illus.), 494; in Mexico, 199, 324–325; in Argentina, 205, 206–207, 207, 208; in Chile, 212; in Brazil, 221; in Gran Colombia, 235; in Colombia, 270–271, 469, 473, 476; in Peru, 404; in Guatemala, 441, 444; in Nicaragua, 456
- Consulado (merchant guild), 137
- Consumer goods market, 517
- Contestado Rebellion (Brazil 1912–1916), 342
- Continental System, 161
- Contraband trade, in Spanish colonies, 137, 138
- Contras: Somocistas as, 454; U.S. aid to, 584–585
- Contreras Labarca, Carlos, 427
- Contribución de indigenas (Peru), 228
- Conucos* agriculture, 12
- Conventionists, in Mexico, 322
- Convent life, 120–121
- Conversion: papal grant of America to Castile for, 78; as task of church, 102–103; lack of success of, 103
- Conversos, 41, 45–46, 46 (illus.); in New Spain and Peru, 106; prohibited from going to Indies, 106
- Cook, Sherburne, 11
- Coolidge, Calvin, 329, 385, 569
- Coolies. *See* Chinese immigrants
- Cooper, Richard, 588
- Cooperatives: in Peru, 411; in Nicaragua, 453; in El Salvador, 461
- Copernicus, 147
- Copper industry: Peru and, 404, 406, 412, 413; in Chile, 422, 423, 425, 429–431; U.S. investment in, 571
- Córdoba, Francisco Hernández de, 62
- Córdoba, Gonzalo de, 43, 62
- Córdoba, Spain, 37; caliphate of, 38; capture by Ferdinand III (Castile), 38
- Cordobaza revolt (Argentina), 374
- Coronado, Francisco Vázquez de, 70
- Coronéis (Brazil), 262, 264
- Coronel, Antonio, 201
- Corral, Ramón, 314
- Correa, Arturo, 308
- Correa, Rafael, 288
- Corregidores, 41, 82, 98–99, 98 (illus.)
- Corregidores de indios, 98
- Corruption: in Brazil, 130; Grau San Martín and, 387; in Colombia, 475, 479, 518; in Venezuela, 482, 490, 491, 494; in Mexico, 514, 515
- Cortés: in Santiago, Cuba, 62
- Cortés, Hernando, 62, 64 (illus.), 72; Quetzalcóatl legend and, 22; Tenochtitlán and, 27, 64–65; Aztec Empire as Kingdom of New Spain and, 65; encomiendas forbidden to, 78–79; as businessman, 85
- Cortés, Martin, 66
- Cortes (parliament): of Castile, 40, 41, 42, 48; of Madrigal, 41; of Toledo, 41; of Spain, 44, 162, 175; of Aragon, 48; in Portugal, 170
- Cosa, Juan de la, 61
- Cosmes, Francisco G., 249
- Costa Rica: chiefdoms in, 10; in United Provinces of Central America, 216–218; coffee in, 217
- Cotton industry: in Brazil, 127; dislocation in United States, 229; in Peru, 229
- Council of Castile, 95, 96
- Council of State: in Brazil, 222

- Council of the Indies, 95–96, 99, 138  
 Councils, self-rule and, 99  
 Counterculture: in Mexico, 335; in Chile, 434  
 Counterinsurgency strategy (U.S. in El Salvador), 464  
 Counterrevolution, 295; in Mexico, 203; in Colombia, 471–472, 590  
 Counterrevolutionary Cuban exiles, 392  
 Country missions, 575  
 Coups d'état: in Venezuela, 269, 484, 485, 487, 492, 496, 589; in Mexico, 317; in Brazil, 349–350, 355; in Argentina, 368, 374; in Peru, 415; in Chile, 426, 433 (illus.), 436, 580; in Guatemala, 446; in El Salvador, 458, 459, 461; in Panama, 579; U.S. support for Brazilian, 579  
 Courts: Aztec, 27; audiencia as, 66; in Brazil, 129  
 Couturier, Edith, 119–120  
 “Covert war” (U.S. against Nicaragua), 454  
 Cozumel, exploration of, 63  
 Crack cocaine, 475  
 Crafts: in Colombia, 10; in postclassic period, 14  
 Credit: in Spain, 42; in Venezuela, 238; for Brazil, 344; in Chile, 430; in Nicaragua, 453, 454  
 Creek Indians, 5  
 Creoles (American-born Spaniards), 6, 111; in town councils, 99; on haciendas, 118; Consolidation and, 146; military service by, 146; social position of, 146; nationalism of, 148–150; resentment of immigrants, 151; revolt of 1780–1781 and, 156; New Granada insurrection and, 157; peninsular Spaniards and, 158–161; defeat of British army by, 161; independence as goal of, 162; in Argentina, 166, 253; in Guayaquil, 166; in Mexico, 170, 171, 172, 173, 174, 175; constitutions of, 195; in Peru, 228; in Cuba, 233, 234; as white supremacists (Cuba), 235  
 Crespes, Jehuda, 53  
 Crime: in Colombia, 475, 476; in Venezuela, 493  
 Criollo values. *See* Creoles (American-born Spaniards)  
 Cristeros movement (Catholic guerrillas, Mexico), 329  
 Cristiani, Alfredo, 464  
 CROM. *See* Confederación Regional Obrera Mexicana (CROM)  
 Cromwell, William N., 567  
 Crops: in Mexico, 8; of Maya, 19; Aztec, 23; of Inca, 32; cash, 138. *See also* Agriculture; Farmers and farming  
 Crowder, Enoch: Cuba and, 384  
 Cruz, Juana Inés de la, 106, 109, 109 (illus.), 119  
 Cruz, Oswaldo, 263  
 Cruzado (Brazil), 507  
 Cry of Ipiranga (Brazil), 170  
 CTM. *See* Confederación de Trabajadores Mexicanos (CTM)  
 Cuadras, Gloria, 389  
 Cuauhtemóc (Aztec), 65, 70 (illus.); surrender of, 65; Mexican culture and, 327  
*Cuauhtemoc contra el mito* (Siqueiros), 70 (illus.)  
 Cuba, 61; chiefdoms in, 10; Columbus and, 56; sugar in, 138; isolation of, 231; 19th-century development in, 231; economy in, 231–234, 383–385, 391, 392–393, 396, 397, 553; independence of, 231–234, 376–381; society in, 231–234; labor in, 232–234; Oriente Province in, 233; Ten Years' War in, 234–235; two societies in, 235; white supremacists in, 235; general strike in, 295; abolishment of sexual discrimination in, 298; women in, 298, 384, 397, 398; United States and, 307, 378–381, 391, 563, 564, 566; Soviet collapse and, 376, 552; Spanish-Cuban-American War and, 376–381; military occupation of, 378–381; absorption into U.S., 380; latifundio in, 380; Platt Amendment and, 380; politics in, 381–383; dependent development in, 381–389; World War I and, 383–385; nationalism in, 384; prosperity in, 384; popular struggle in, 385–386; reforms in, 386, 387, 389, 397–399; Revolution of 1933 in, 386–387; Korean War and, 387; World War II and, 387; depression in, 388; Bay of Pigs invasion in, 391; agriculture in, 391–392; sugar industry in, 392; harvest of 1970 in, 394; health care in, 396 (illus.), 397, 398; government of, 397, 398, 553; outmigration from, 397; productivity in, 397; achievements of, 397–399; socialism in, 398, 554, 555, 556; rectificación and special period in, 399, 552–553, 556; Venezuelan oil/medicine exchange with, 495; industry in, 552, 553; hip-hop culture in, 556; international development rank of, 556; Teller Amendment and, 566; nonintervention policy and, 572; Roosevelt, Franklin D., and, 572; Carter policy toward, 581; Clinton and, 588. *See also* Castro, Fidel; Martí, José; Revolutions; specific leaders  
 Cuba Libre movement, 378–379  
 Cuban Adjustment Act (1978, U.S.), 557  
 Cuban-Americans: U.S. policy toward Cuba and, 588  
 Cuban missile crisis (1962), 281  
 Cuban Revolution, 281, 376–399, 438, 488, 575; Chilean politics and, 430; U.S.-Latin American relations and, 578–579. *See also* Castro, Fidel  
 Cuban Women's Federation (FMC), 397  
 Cubitt, Tessa, 297  
 Cúcuta, 164, 235  
 Cuenta (count): of tribute payers, 79  
 Cuitlahuac (Aztec), 69  
 Cultivation: techniques of, 8; in Colombia, 10. *See also* Agriculture; Farmers and farming  
 Cultural institutions, 304–312  
 Cultural relativism, 58  
 Culture: in stages of history, 13–14; Aztec, 26–29; of Peru, 29–30; Muslim, 37; colonial, 147–148; in Mexico, 327, 334–338; rock and roll music and, 335; in Brazil, 340–341, 342–344; in Cuba, 384–385. *See also* Arts; Popular culture; Popular music; specific arts  
 Cumbes, 236  
 Cumbia andina (Peruvian music, chicha), 416  
 Cunha, Euclides da, 263  
 Cunningham, Shea, 554  
 Curaçao, 137  
 Curacas (hereditary chiefs): of Inca, 33, 34, 67  
 Currency: in Spain, 42; of Mexico, 337; in Argentina, 367; in El Salvador, 464; in Venezuela, 495  
 Cushner, Nicholas, 142  
 Customs: in Venezuela, 269  
 Cuyo province, 167  
 Cuzco, 34, 35; Incas and, 30; Spanish in, 67  
 Da Gama, Vasco, 53–54  
 Damián, Araceli, 286  
 Dance: samba as, 341; tango as, 359, 365, 370; in Cuba, 385  
 “Dance of the Millions” (Cuba), 383–385  
 Danzón (Cuba), 385  
 Darien: in Panama, 61

- D'Aubuisson, Roberto, 310, 463, 464, 465, 466, 585
- Dávila, Pedrarias, 61, 66
- Death squads, 512; in Colombia, 478, 479; in Brazil, 503
- Death to the Invader* (Siqueiros mural), 213
- Debayle, Anastasio Somoza, 520
- De Bry, Theodore, 90 (illus.)
- Debt. *See* Foreign debt
- Debt-bond swaps, 285
- Debt crisis: of Mexico, 514–516
- Debt-equity swaps, 285
- Debt peonage, 94; in Indies, 142
- Debt servitude, 82–83
- Decadencia (decadence): in Spain, 50
- Decapitalization, 280
- Decentralization: in Spanish American administration, 143–144
- Declaration of the Indigenous Peoples of Morelos, 303
- Declaration of the Rights of Man: translation and printing of, 160
- Default: in Latin American loans, 284
- Deficit: in Argentina, 365; in Brazil, 525, 526
- Defoliation: of Colombian coca crops, 479, 480
- Deforestation: population crisis and, 12
- Degredados (exiled criminals), 122
- De la Barca, Carderón, 51
- De la Madrid, Miguel, 516
- Delgado Chalbaud, Carlos, 485–486
- Del Valle, Juan, 102
- Democracy, 287, 296; of Brazilian tribes, 9; Madero and, 316; in Argentina, 356; in Chile, 421, 429–432, 538–540; in Guatemala, 443–447; in Colombia, 473; in Venezuela, 487–497; in Brazil, 506–508
- Democratic Revolutionary Front (FDR): in El Salvador, 463
- Democratic Societies: in Colombia, 241
- Democratic Union of Women (UMD, Guatemala), 441
- Demographic history: of Ancient America, 11–12
- Demonios del Mantaro, Los (Mantaro Devils), 416
- Demonstrations: between patriots and royalists, 162; by Cuban students, 384; in El Salvador, 461; in Venezuela, 496
- Denationalization: of Mexican industry, 517
- Denevan, William T., 12
- Denys, Odílio, 353
- Dependence: on Europe and U.S., 244; on advanced countries, 287
- Depression: in 17th century, 89; in Chile, 215; in Mexico, 252; in Argentina, 365; in Cuba, 388; of 1800s, 563–564. *See also* Great Depression
- Descamisados (shirtless ones): in Argentina, 370
- D'Escoto, Miguel, 452
- De Soto, Hernando de, 70
- Despotism: Aztec, 28; “enlightened,” 136
- Dessalines, Jean Jacques, 160
- Devaluation: of Salvadoran currency, 464; of Brazilian currency, 507; of Argentine peso, 531
- Developed countries: competition for overseas markets among, 276; relations with Latin America, 285
- DeVine, Michael, 311
- Diamonds: in Brazil, 127
- Dias, Bartholomeu, 53
- Díaz, Adolfo, 447, 448
- Díaz, Félix, 319
- Díaz, Porfirio, 190, 192, 204, 246, 248 (illus.), 276, 313, 314, 447, 469; positivism and, 204–205; Mexican Reforma and, 245, 246; dictatorship under, 247–249; reaction against, 251, 252; opposition to, 314; León de la Barra and, 315. *See also* Mexican Revolution
- Díaz del Castillo, Bernal, 73
- Díaz-Guerrero, Rogelio, 298
- Díaz Ordaz, Gustavo, 334; economic strategy of, 337
- Dictatorships, 191, 279, 283–284; underlying constitutions, 195; in Paraguay, 205; in Argentina, 207, 373–375; of Díaz, Porfirio (Mexico), 247–249; in Brazil, 280, 579; of Huerta (Mexico), 317–319; of Vargas in Brazil, 347–349; in Peru, 404; in Chile, 421; in Guatemala, 439, 445–446; of Somoza, 449–452; in Colombia, 469, 472; military in Venezuela, 484–487; crisis in Brazilian, 505–506; U.S. support for, 579; Nixon and, 580. *See also* specific dictators
- Diente del Parnaso* (*Tooth of Parnassus*) (Valle y Caviedes), 109
- DINA (Dirección de Inteligencia Nacional), 508
- Diniz, Motta, 343
- Diplomacy: dollar diplomacy, 246, 277, 566; Cuba-Soviet relations and, 391. *See also* Imperialism; specific acts
- Dirección de Inteligencia Nacional (DINA), 508
- “Dirty war”: in Argentina, 512, 514
- “Dirty war”: in Colombia, 477
- “Discovery,” 57
- Discrimination: by colonial law, 100; in Cuba, 233, 556; in Brazil, 350. *See also* Racism
- Disease: from European contact, 12, 57, 124, 125; Spanish, 68; in Venezuela, 488; in Brazil, 501
- “Disparada” (Vandré), 502
- Dispensations: purchase of legal whiteness through, 151
- Distribution of income, 286; in Argentina, 359; in Peru, 407; in Chile, 431; in Guatemala, 444–445; in Nicaragua, 450
- Distribution of land: in Brazil, 526–527
- Divination: by Inca, 35
- Divinity: of king, 10
- Division of labor, 10; Aztec, 28
- Divorce: in Chile, 301; in Mexico, 325; in Cuba, 398
- Dobyns, Henry, 12
- Dollar diplomacy, 246, 277, 566
- Dollar (U.S.): in Cuba, 555
- Doll de Díaz, Elena, 428
- Dolphin* (ship), 320
- Domesticated animals: Aztecs and, 27; introduction of Spanish into America, 86–88
- Domesticated plants, 8
- Dominican Republic, 55; U.S. occupation of, 568; Johnson, Lyndon B., and, 579. *See also* Hispaniola
- Dominicans, 103; protests against treatment of indigenous peoples by, 77
- Dom Pedro, 221–222
- Donatory system of government: in Brazil, 128
- Don Quijote* (Cervantes), 50
- Dorticós, Osvaldo, 395
- Dowries: costs of, 120n
- Doyle, Kate, 311
- Draconianos (lower military): in Colombia, 241
- Draft labor: for indigenous peoples, 245
- Drake, Francis, 92–93
- Dreyfus firm: Peruvian guano monopoly and, 230
- Drugs and drug trade, 293; militarization of drug war, 309; in Peru, 419; in Colombia, 475–478; United States and, 479–480; as pretext for U.S. intervention, 575; Panama invasion and, 585–586. *See also* War on drugs
- Drugs (pharmaceutical): Cuban manufacture of, 554
- Dry Law (Argentina), 366
- Dual monarchy: in Portugal, 170

- Duarte, José Napoleon, 459, 460, 463, 464, 585
- Duarte, Nicanor, 591 (illus.)
- Du Bois, W.E.B., 220
- Duhalde, Eduardo, 531
- Dulles, Allen, 442
- Dulles, John Foster, 442, 576, 577
- Duncan, Robert Todd: racism against, 484
- Dunham, Katherine, 350
- Dunn, Christopher, 502
- Durán, Diego, 103, 107
- Dutch: independence of, 49; Portuguese spice trade and, 53–54; in Brazil, 126; smuggling by, 128
- Dutch colonies, 573
- Duties, 91; on trade, 91
- Dutra, Eurico, 349
- Duvalier family: François “Papa Doc,” 582; Jean-Claude, 582
- Dyes: in El Salvador, 267
- Earthquake: in Nicaragua, 450
- Ecclesiastical patronage: in Brazil, 130
- Echeverría, Luis, 337
- Economic archipelago: in Colombia, 240
- Economic crisis: debate over, 88–89; in Mexico, 514–516
- Economic independence: in Mexico, 517
- Economic reform: in Mexico, 332
- Economics: impact of Discovery and, 57; Argentina and, 370–371
- Economy: colonial, 5–6, 93–94; Maya, 18–19; of Inca, 30–34; Andean “vertical,” 32; of Castile, 39; of Aragon, 40; of Spain, 42, 43, 45, 49–50, 82–85; repartimiento system and, 81–82; haciendas and, 85–86, 118; Bourbon commercial reforms and, 138; after independence, 191–192; stagnation after independence, 194–195; in Río de la Plata region, 205–206; Industrial Revolution and, 243; neocolonialism and, 244–247; in Central America, 265–268; international, 282–283; loan defaults and, 284; instability of, 285–286; global, 371; U.S. protection of interests and, 559. *See also* Depression; Encomienda; Labor; Slaves and slavery; Trade; specific countries
- Ecosystems: pre-Conquest, 12; European destructions of, 57
- Ecuador, 235, 414; in Classic period, 13; freedom of, 166; union with Colombia, 235; social revolution in, 414; economy in, 414–415; modernization of, 415; poverty in, 415; military in, 579, 592; George W. Bush and, 590
- Ecuadorian Revolution, 414
- Education: Aztec, 26–27; of Inca, 35; for indigenous youth, 103; in colonies, 148; Enlightenment writings and, 159; bilingualism, 181–182; in Mexico, 204, 326, 333; in Argentina, 206, 211; in Gran Colombia, 235; in Chile, 258; Villa and, 319; for women, 369; in Nicaragua, 456; in Venezuela, 482, 485, 486, 488, 494, 495. *See also* Schools
- Edwards family: in Chile, 431
- Eight-hour workday: in Mexico, 324; in Brazil, 347; in Argentina, 365; in Peru, 403
- Eisenhower, Dwight D., 311; Cuba and, 311, 391; Brazil and, 350; Guatemala and, 442; Latin American policy of, 575–578
- Ejido (Mexico), 331; crisis in sector of agriculture, 518, 519
- El Barzón*, 294
- El Carnero*, 109
- El Dorado: search for, 69–75
- Elections: in indigenous communities, 114; in Argentina, 208; in Chile, 213, 536–538; in Mexico, 247–248, 314, 333, 516; in Brazil, 344, 507, 508; in Nicaragua, 455, 456, 457, 520; in El Salvador, 458, 459, 460, 463, 465, 466; in Colombia, 470–473, 475, 477; in Venezuela, 487, 493
- Electoral reform: in Argentina, 255; in Colombia, 271
- Electrobras (Brazil), 350
- El Greco, 51
- Elites, 280; colonial, 6; in chiefdoms, 10; Maya, 17–18; Aztec, 24; instability of, 86; loyalty of colonial, 100; domination of native peoples by, 102; in Brazil, 133–134, 169, 341; Consolidation and, 147; mestizos and mulattos in, 151; in Mexico, 170, 328, 514, 516; Europeanization of, 186; military, 194; political and military careers of, 194; in Peru, 228; in Cuba, 234, 235, 384; in Colombia, 239, 475, 476; dependency on Europe and U.S. by, 244; in Argentina, 253, 361–362, 363; in Chile, 259; in Nicaragua, 267; United States and, 281; neoliberal strategies and, 283; in Bolivia, 409; in El Salvador, 457–458; in Venezuela, 482
- Elizabeth I (England), 48, 92
- Ellner, Steve, 492
- El Mozote massacre, 310
- El Salvador, 457–467; Maya in, 17; in United Provinces of Central America, 216–218; Carrera and, 217; crops in, 217; economy in, 267–268, 457; 1876–1911, 267–268; politics in, 267–268; labor in, 268; abortion in, 301; revolution in, 439; economy and, 457–460; military coup in, 458; Honduran war with, 459; settlers in Honduras from, 459–460; economic and social crises (1970s) in, 460; massacre in, 460; church in, 460–461; junta in, 461, 462; military-civilian junta, 461, 462; women in, 462 (illus.), 466; peace accords in (1992), 465, 466; results of revolution in, 466–467; Reagan and, 584; counterinsurgency war in, 585
- Emancipation. *See* Abolition and abolitionism
- Embargo, 307; on U.S. exports to Cuba, 391, 552, 553, 557; on arms to Guatemala, 442; by U.S. against Nicaragua, 455
- Emigration: from Cuba, 397. *See also* Immigrants and immigration; Migration
- Emperor, 10
- Emphyteusis system (Argentina): for land distribution, 206
- Empires: growth of, 9; conditions for, 11; in Postclassic period, 14
- Employment: of immigrants, 151; of Mexican women in maquiladoras, 517; NAFTA and, 587
- Encomenderos, 73; scale of enterprises of, 85; Las Casas and, 102
- Encomienda: for Hernando Cortés, 62; in Peru, 74; slavery and, 77–79; Las Casas on, 78; forbidden to Cortés, 78–79; decline of native populations and, 80; mitaya, 80–81; originaria, 80–81; haciendas and, 85
- “Encounter”: use of term vs. “discovery,” 57
- Encyclopedists: influence of, 136
- Endara, Guillermo, 586
- Energy crisis: in Cuba, 554
- Eganche (labor system): in Peru, 401
- Engineering: Aztec, 27; Roman construction in Spain, 36
- England (Britain), 247; Portuguese spice trade and, 54; piracy and, 92–93; Treaty of Madrid and, 93; merchant class in, 137–138; Falkland Islands and, 143; defeat by people’s militia, 161; Spanish shipping and, 161; Mexico and, 197, 203; Uruguay and,

- England (*cont.*)  
 206; Argentina and, 212, 367; Chile and, 214, 255–256, 258, 259, 260; United States and, 216–217, 246; Brazilian independence and, 221; neocolonialism and, 244; Venezuela and, 269, 565–566; Peruvian Corporation and, 401; Panama Canal and, 563; Nicaragua and, 565
- Enlightened despotism, 136; in Portugal, 128
- Enlightenment: Spanish, 136; creole discontent and, 159
- Entails, 196; in Chile, 214, 215
- Enterprise of the Indies, 55
- Entrepreneurial class, 244
- Environment: of Maya culture, 17; cattle damage to, 87; rain forest, 290. *See also* Pollution
- Equality: under Spanish law, 110; of mulattos, 119; struggle for, 296; gender, 324; for women, 332, 426 (*illus.*)
- Erasmus: writings of, 101
- Ercilla, Alonso de, 73
- Errázuriz Zañartú, Federico, 215
- Espín, Vilma, 298, 383 (*illus.*), 390, 397
- Establishment: colonial, 159
- Estado Novo (New State, Brazil), 348
- Estancias (cattle ranches), 139, 193
- Estancias de la patria (Paraguay), 205
- Estancieros (landed oligarchy): in Argentina, 206, 207, 253, 356; Rosas as, 206 (*illus.*), 207
- Estates: in Spain, 38; in Brazil, 133–134, 221; system of, 176; in agriculture, 193; dominance of, 193–194; in Paraguay, 205; in Chile, 214. *See also* Estancias (cattle ranches); Fazenda (estate); Haciendas (estates)
- Estenoz, Evaristo, 382, 382 (*illus.*)
- Estrada Cabrera, Manuel, 439, 469
- Estrada Palma, Tomás, 381
- Estremadura, 45, 72
- Ethiopia: Cuba and, 581
- Ethnic groups: in Colombia, 270; in Argentina, 362–363
- Ethnocentricity: of term “discovery,” 57; European, 58
- Ethnographic data: of Las Casas, 58
- Ethnography: to inventory pre-Columbian cultures, 103
- Europe: impact of Discovery on, 57; neocolonialism by, 244–245
- European Economic Community: Nicaraguan trade with, 455
- Europeans: diseases brought by, 12; in Mexico, 61–62; in Spanish America, 150
- Ewell, Judith, 485
- Exaltados (radical liberals): in Brazil, 221
- Exemplary Tales* (Cervantes), 71
- Expansion: assessment of Western, 57; by United States, 560 (*illus.*)
- Expeditionary Task Force (Bolivia): U.S. funding of, 590
- Exploitation: by colonial law, 100
- Exploration: to find trade routes, 52; by Portugal, 52–53
- Explotadores, Los* (Rivera), 275 (*illus.*)
- Exports, 181, 194, 243, 244, 245; from Spain, 43; from Paraguay, 211; from Peru, 229, 230; from Colombia, 240, 270; from Mexico, 250; from Argentina, 253–254, 357, 367; gap with imports, 284; in Argentina, 357–359; from U.S. to Cuba, 391; from Chile, 426; from Guatemala, 446; from Nicaragua, 454–455; from El Salvador, 457; from Venezuela, 482; from Brazil, 501, 509–510
- Expropriations: of U.S. properties in Cuba, 391
- Extended family: Maya, 19
- Extractive industries, 573
- Extramarital affairs: women and, 119
- Factories: in Mexico, 250–251; in Brazil, 263; sexualization of (Mexico), 517
- Factory capitalism: in Mexico, 197
- Falkland Islands. *See* Malvinas
- Family, 118; Classic Maya, 19; slave, 116; and women in Argentina, 367; in Chile, 430, 435
- Family Code (Cuba 1975), 298, 398
- Famine: in Mexico, 139. *See also* Malnutrition
- FAPU (Front for United Popular Action) (El Salvador), 460
- Farabundo Martí, Augustin, 449 (*illus.*)
- Farabundo Martí National Liberation Front (FMLN, El Salvador), 463–464, 465, 584
- FARC. *See* Revolutionary Armed Forces of Colombia (FARC)
- Farmers and farming, 85–86, 193; as subsistence base of chiefdom, 9; in Colombia, 10; terraced farms, 10, 32; Aztec, 24; agricultural tools, 32; in Hispaniola, 57; mixed-blood, 86; indigenous, 114; in Cuba, 231, 380–381, 392–393, 554; in Argentina, 253; in El Salvador, 267–268; in Chile, 430; in Nicaragua, 453, 454; in Mexico, 518; organic, 554. *See also* Agriculture; Haciendas (estates); Tenant farming; specific crops
- Farrell, Edelmiro, 368
- Fascism (Brazil), 347
- Favelas (Brazilian slums), 341, 353, 504, 527
- Fazenda (estate), 133, 193
- Fazendeiros (former slave owners), 262
- Federalism: in Argentina, 206, 207, 208, 252; in Venezuela, 239; in Brazil, 262
- Federalists, 195–196; in Mexico, 196; in Argentina, 206, 208; in Chile, 212
- Federal Republican Party (Brazil), 263
- Federal War (Venezuela), 239
- Federation of University Students (FEU), 388
- Federation of Workers of Lima and Callao, 404
- FEHCIF. *See* Chilean Federation of Feminine Institutions (FECHF)
- Feliciano Ama, José, 458
- Feminine Cultural Group (ACF, Venezuela), 483, 486
- Feminine Power (EPF), 508
- Feminism: in Mexico, 316–317; Carranza and, 323; in Brazil, 343–344, 504; in Argentina, 361–362, 370; in Peru, 405; in Bolivia, 408; in Chile, 423–424
- Feminist Movement (MF), 510
- Fencing, 211
- Ferdinand III (Castile), 38
- Ferdinand VI (Spain), 136, 137
- Ferdinand VII (Spain), 161, 162, 164; revolt against, 165–166; Napoleon and, 170; return to throne, 174
- Ferdinand and Isabella (Spain): historical reappraisal of, 43–46; Spanish exploration and, 55; Laws of Burgos and, 77; Catholic Church and, 100; Pope and, 101
- Ferdinand Maximilian (Hapsburg). *See* Maximilian (Mexico)
- Ferdinand of Aragon, 40, 40 (*illus.*), 47
- Fermin, Mercedes, 482, 483
- Fernandes, Florestan, 301
- Fernández, Cristina, 591 (*illus.*)
- Ferrer, Ada, 234
- Fertility goddesses: in Valley of Mexico, 14
- Fertilization: by Inca, 32
- Fertilizer: Chilean nitrates, guano, and, 215. *See also* Guano; Nitrate industry
- Feudal colonial economy, 5–6, 93
- Feudalism: of Inca, 34; in Peru, 228; in Mexico, 250
- Fico: in Portugal, 170
- Fidelity: importance of, 118
- Fillmore, Millard, 563
- Finances: in Mexico, 203
- Financial crisis: in Cuba, 233

- Fine arts, school of (Mexico City), 147;  
 Finlay, Carlos, 380  
 First Institutional Act (Brazil), 500  
 First Phase: of Peruvian Revolution, 415  
 Fleet system: Spanish, 137–138  
 Flora Tristán Peruvian Women's Center, 413  
*Florentine Codex*, 62n  
 Flores, Juan José, 183  
 Florescano, Enrique, 104  
 Flores de Oliva, Isabel. *See* Rose of Lima (Saint)  
 Flores Magón, Ricardo, 251  
 Flores Magón brothers: Ricardo, 313  
 Florida: Ponce de León in, 69; Spanish loss of, 138; U.S. purchase of, 562  
 FMLN. *See* Farabundo Martí National Liberation Front (FMLN, El Salvador)  
 Folk art: in Chile, 432  
 Folsom stone projectile points, 7  
 Fonseca, Carlos, 450  
 Fonseca, Manuel Deodoro da, 262  
 Food: domesticated plants as, 8; shift from gathering to producing, 8; Aztec, 26; shortages in Spain, 45; production in Mexico, 250; in Peru, 411; in Cuba, 552. *See also* Malnutrition  
 Food processing: in Brazil, 265; in Argentina, 357, 358  
 Food riots: in Venezuela (1989), 490, 492; in Argentina, 514  
 Foraker Act, 569  
 Foraker Amendment. *See* Turpie-Foraker Amendment  
 Forasteros (outsiders), 142, 150  
 Forced labor, 290; of Incas, 33; in Peru, 228. *See also* Slaves and slavery  
 Ford Motor Company: in Mexico, 328; in Brazil, 501  
 Foreign aid: to Colombia, 478–481  
 Foreign corporate ownership, 246  
 Foreign currencies: in Cuba, 555  
 Foreign debt, 284–285; in Mexico, 197, 337, 338; in Peru, 230, 401, 418; Latin American, 283; in Brazil, 344, 501, 507; in Argentina, 357, 513; in Ecuador, 414; in Nicaragua, 452, 522; in Venezuela, 491  
 Foreign exchange, 284; of Mexico, 515; in Cuba, 552  
 Foreign-exchange reserves: in Brazil, 348  
 Foreign investment, 197, 292; in Argentina, 212, 253, 357, 367, 372, 373; in Peru, 229–230, 404; in Mexico, 250, 333, 334, 337; in Chile, 260, 422, 424, 425, 429, 431, 434; in Guatemala, 266; in manufacturing, 279; as condition for foreign loans, 285; Carranza and, 325; in Brazil, 348, 350, 351, 352, 353; in Cuba, 380, 524, 553; in Ecuador, 414; in Colombia, 470; in Venezuela, 488; in Nicaragua, 476. *See also* United States  
 Foreign investment: in Mexico, 320  
 Foreign loans, 283; to Mexico, 197, 337, 338, 515; to Brazil, 344, 352, 507; to Peru, 413; to Chile, 430; to Nicaragua, 452; to Venezuela, 491. *See also* Foreign investment; International Monetary Fund (IMF); World Bank  
 Foreign Military Sales program: Latin American funding by, 592  
 Foreign policy: of Ferdinand and Isabella (Spain), 43; in United States, 571  
 Foreign trade, 89; dependence on, 6  
 Forests: in Cuba, 232  
 Formative period, 13; Olmecs in, 13, 14–15; Maya and, 17; in Peru, 29  
 Forum Roberto Simonsen, 355  
 “Fourteen families”: in El Salvador, 268  
 France: Spain and, 43, 48, 160; Treaty of Ryswick and, 93; Rio de Janeiro founded by, 126; war with Spain and, 161; invasion of Portugal by, 169; Mexico and, 203–204, 563; July Revolution in (1830), 221; Venezuela and, 269; Panama Canal and, 567  
 Francia, José Gaspar Rodríguez de, 167, 205, 209, 244  
 Francis I (France): on Spanish America, 92  
 Francisca, Josefa María, 114  
 Franciscans, 103, 105  
 Franco, Itamar, 525  
 Franco, Jean, 512, 513  
 Frank, André Gunder, 93n  
 Frechette, Myle, 590  
 Free blacks: in Cuba, 233  
 Freedmen: in Peru, 230; in Venezuela, 239  
 Freedom: for Brazilian slaves, 133  
 Freedom of religion: in Argentina, 208  
 Free movement of capital, 288  
 Free trade, 285; in Mexico, 170; in Argentina, 367; U.S.-Mexico, 518  
 Free Trade Area of the Americas (FTAA), 308; Venezuela rejection of, 495  
 Free trade decree (1778), 138, 143  
 Free-trade policies, 243  
 Free-trade zone factories. *See* Maquiladoras  
 “Free Womb” laws, 220  
 Frei, Eduardo, 429, 430–431, 432, 580  
 French colonies, 573  
 French Revolution, 136, 160  
 Frente Amplio (Broad Front) coalition, 580  
 Frente Farabundo Martí de Liberación Nacional (FMLN, El Salvador), 439  
 Frescoes: Mayan, 21, 21 (illus.)  
 Freyre, Gilberto, 131  
 Friar-anthropologists: Las Casas as, 58  
 Friars. *See* Clergy; Missionaries  
 Friedman, Elisabeth, 482, 484  
 Friedman, Milton, 508  
 Frondizi, Arturo, 373  
 Frontier, 105  
 FSLN. *See* Sandinista Front for National Liberation (FSLN)  
 FTAA. *See* Free Trade Area of the Americas (FTAA)  
 Fuel: for Cuban sugar mills, 232  
 Fuero militar, 146  
 Fueros (charters of liberties), 95; in Castile, 39  
 Fugger, German house of, 47, 48  
 Fugitive slaves: in Brazil, 133  
 Fujimori, Alberto, 419; “self-coup” of, 287; Clinton and, 588  
 Fundamental Law of the Republic (Cuba), 391  
 Furtado, Celso, 354  
 Gachupines (tenderfoot), 111, 151, 173  
 Gairy, Eric, 582  
 Gaitán, Jorge Eliécer, 471  
 Galán, José Antonio, 157  
 Galán, Luis Carlos, 475  
 Galeano, Eduardo, 588  
 Galicia: mines in, 48  
 Galindo de Topete, Hermila, 323, 324  
 Galleons, 91  
 Gallo, Pedro León, 215  
 Gálvez, José de, 141, 146  
 Gálvez, Mariano, 217  
 Gamboa, Francisco de, 143  
 Gamio, Manuel, 182, 303  
 Gamonal system: in Colombia, 469  
 García, Calixto, 379  
 García, Charley, 512  
 García, María “Cuca,” 328, 330, 332  
 García Márquez, Gabriel, 557; on Colombia, 476  
 García Pérez, Alán, 418, 419  
 Gardel, Carlos, 370  
 Garibaldi, Giuseppe, 222  
 Garvey, Marcus: black Brazilians and, 343  
 Gasca, Pedro de la, 67, 73, 74  
 GATT. *See* General Agreement on Tariffs and Trade (GATT)  
 Gaucho, 128; in Argentina, 206, 207, 211; Rosas and, 206 (illus.), 207

- Geldstein, Rosa, 530
- Gender: Inca and, 33; of Chilean workforce, 423; in El Salvadoran Revolution, 466–467; in Venezuela, 484. *See also* Women
- Gender discrimination: in Argentina, 369; in Cuba, 556. *See also* Women
- Gender equality, 398; in Mexico, 324
- Gender parallelism: of Inca, 33
- Gender-related honor, 118–119
- General Agreement on Tariffs and Trade (GATT), 587; Mexico and, 516, 518
- General Confederation of Labor (CGT): in Argentina, 367, 372
- General History of the Things of New Spain* (de Sahagún), 107
- General Labor Confederation (CGT), 512
- General Motors: Mexico and, 334–335; in Brazil, 501
- General strike, 220; in Cuba, 295; in Peru, 403; in Chile, 426; in Guatemala, 440, 445; in Nicaragua, 451, 452; in Venezuela, 487; in Venezuela (2003), 496
- “Generation of 1880”: in Argentina, 252
- Geography: of Colombia, 240
- Germans: in Spain, 36, 47; in Chile, 215
- Germany: investment in Chile, 260; intervention in Venezuela by, 269; Brazil and, 348, 349; Argentina and, 368
- Gibraltar: to England, 135
- Gibson, Charles, 112, 113, 150
- Gieco, León, 512
- Gil, Gilberto, 502, 503, 503 (illus.)
- Gil, Juan, 60
- Gilberto, João, 352
- Gil de Castro, José, 163 (illus.)
- “Girl from Ipanema” (Moraes), 352
- Girls: education of Aztec, 27. *See also* Women
- Glaciation, 8
- Global marketplace: Chile and, 433; Cuba in, 557
- Godfathership: in Brazil, 133
- Godoy, Manuel de, 161
- Gods and goddesses: fertility goddesses, 14; Aztec, 15; Tlaloc (Aztec god), 15; of Maya, 19; of Inca, 35
- Gold, 83; Inca and, 35; Portuguese African trade in, 52; in Peru, 67; Spanish search for, 70; conquistadors and, 73; mining of, 88–90; in Brazil, 126–127, 140; Central America as transoceanic transit route and, 217–218
- Gold Coast: Portuguese slave trade and, 53
- Golden Age: of Spanish literature, 50–51
- Gold rush: in California, 563
- Gólgotas (urban artisans): in Colombia, 241
- Gomes, Fernão, 53
- Gomes, Raimundo, 223
- Gómez, Juan Gualberto, 234
- Gómez, Juan Vicente, 269, 276, 481–484, 481 (illus.)
- Gómez, Laureano, 471, 472, 473
- Gómez, Máximo, 377, 379
- Gómez Farías, Valentín, 199, 200
- Góngora, Luis de, 108
- González, Pablo, 303, 325
- González Prada, Manuel, 403, 405
- González Videla, Gabriel, 428, 429
- Good Neighbor Policy, 279, 571–573
- Gordon, Joy, 555
- Gordon, Lincoln, 355
- Goths: in Spain, 36
- Goulart, João, 280, 283, 351, 353–355; Brazilian military and, 353–354; as Brazilian president, 353–355; U.S. involvement in overthrow of, 579
- Government: rise of, 11; Aztec, 28; of Inca, 34; of Aragon, 38–40; Spanish colonial, 137; Bolívar on, 165; San Martín and Bolívar on, 167; centralized, 196; of Central America, 216–218; of Guatemala, 443–444, 446; of Colombia, 475–476. *See also* specific countries and rulers
- Governor: in Brazil, 128
- Grace, W. R., 230, 412
- Grady, Henry, 564
- Graham, Richard, 185
- Grain, 10; British market for, 367
- Granada, Spain: Muslims in, 38; Spanish conquest of, 43, 46
- Gran Colombia, 166, 235–242; Peru and, 168; distances in, 235; Venezuela, Ecuador, and, 235; Colombia and, 239
- Grande, Rutilio, 461
- Grandeers: in Spain, 49
- “Grandeza Mexicana, La” (“The Grandeur of Mexico City”) (Balbuena), 117
- Gran Minería (Chile), 429, 435
- Grant, Ulysses S: Dominican Republic and, 568
- Grantees: in Hispaniola, 77
- Grau San Martín, Ramón, 386, 387, 572
- Great Britain. *See* England (Britain)
- Great City of Tenochtitlán, The* (Rivera), 3 (illus.)
- Great Depression, 277, 278; Mexico and, 330; Brazil and, 345, 346; Argentina and, 365, 366; in Chile, 425–426; in Colombia, 470; Puerto Rico and, 570
- Greater Antilles, 61
- Great National Problems, The* (Molina Enríquez), 314
- Great White Fleet (U.S.), 440
- Greiff, Gustavo de, 478–479
- Grenada: U.S. invasion of, 582
- Grierson, Cecilia, 361
- Grijalva, Juan de, 62
- Gringos: countercultural in Chile, 434
- Griswold del Castillo, Richard, 201
- Gross domestic product (GDP): in Cuba, 553
- Gross national product (GNP): in Nicaragua, 453
- Group of United Officers (GOU): in Argentina, 367
- Grove, Marmaduke, 425, 426
- “Growth without development”: in Latin America, 140
- Guachibales (religious brotherhoods), 266
- Guadalupe, ruling of, 41
- Guadalupe Hidalgo, Treaty of (1848), 200–201
- Guanajuato, 88, 159, 171, 172
- Guanches people, 54
- Guano, 29; from Chile, 215; Peruvian export trade in, 229
- Guaraní people, 71; lifestyle of, 80–81; missionaries and, 105
- Guararapes, battle of, 126
- Guardacostas, 137
- Guardia Nacional: in El Salvador, 268; in Dominican Republic, 569
- Guardino, Peter, 196
- Guatemala, 13, 216–217, 439–447; Teotihuacán and, 17; Maya civilization of, 17–23; Spanish conquest of, 65; in United Provinces of Central America, 216–218; government in, 217; repartimiento system in, 245; 1865–1898, 265–268; labor in, 266; CIA and, 311; economy in, 439–440, 444; United States and, 440, 441, 442, 443, 444, 446; revolution and counterrevolution in, 440–443; women in, 441; democracy in, 443–447; poverty in, 444–445, 446; military in, 444–446; human rights in, 445, 446; U.S. intervention in, 576–578. *See also* specific leaders
- Guatemala City Accords, 585
- Guatemalan Communist Party, 443
- Guatemalan National Peasant Confederation (CNCG), 441
- Guatemalan Women’s Alliance (AFG), 441
- Guayaquil, 168
- Gueir Tejada, Lydia, 408
- Guerra y Sánchez, Ramiro, 380
- Guerrero, Vicente, 175, 182–183, 199

- Guerrilla movements: in Mexico, 329; in Argentina, 374; in Peru, 402–403; in El Salvador, 439, 460–461, 462 (illus.), 463–466; in Guatemala, 439, 443, 444; in Nicaragua, 448; in Colombia, 472, 473–474, 474 (illus.), 475, 476, 479, 480
- Guevara, Andrés de, 148
- Guevara, Ernesto (Che), 389, 578
- Guggenheim family: Chilean copper and, 423
- Guiana, 576, 578, 579; Aguirre and, 74
- Guilds: Spanish-controlled, 90, 91
- Guillén, Nicolás, 385
- Guiteras Holmes, Antonio, 386
- Gulf of Guinea: Portugal and, 53
- Gulf War: Latin America and, 586–587
- Gunboat diplomacy, 454; Reagan and, 581–587
- Gutiérrez, Eulalio, 321
- Gutiérrez, Jaime Abdul, 461
- Gutiérrez Cuevas, Teodomiro, 403
- Gutiérrez de Mendoza, Juana, 313, 315
- Guy, Donna, 359, 369
- Guyaquil, 166
- Guzmán, Antonio Leocadio, 238
- Guzmán, Fernando de, 74
- Guzmán, Jacobo Arbenz, 311
- Guzmán Blanco, Antonio, 192, 245, 246, 268, 469
- Guzmán de Alfarache* (Alemán), 50
- Haass, Richard, 589
- Habeas corpus*: in Guatemala, 217
- Hacendados, 81, 291; kurakas as, 112; in Mexico, 204, 249; in Brazil, 228
- Haciendas (estates), 85–86, 181, 191, 193; decline of native population and, 80; self-sufficient, 89; colonial social life on, 116–118; in Mexico, 139, 197, 334; peasants on, 176; dominance of, 193–194; in Colombia, 240, 270; expansion of, 245–246; Villa and, 319; Carranza and, 323; distribution of lands in Peru, 411; in Peru, 411; in Guatemala, 440
- Haiti, 55; Toussaint L'Ouverture in, 160; Bolívar in, 165; Aristide and, 287, 583–584; United States and, 564, 568, 571, 572, 582–584; peacekeeping forces in, 583. *See also* Hispaniola
- Haitian Revolution, 160
- Halperin-Donghi, Tulio, 190
- Hammond, Norman, 18
- Handicrafts industry, 90
- Hapsburgs: in Spain, 47–51, 95, 96; church under, 100
- Al-Haquem II (Muslims), 37
- Harbury, Jennifer, 311
- Harriman, W. Averell, 579
- Harrison, Benjamin, 564
- Hart, John, 321
- Hasinai people, 105
- Hassan, Abdul, 43
- Hassaurek, Friedrich, 186
- Havana, 379; England and, 146, 231
- Havemeyer, Henry Q., 235
- Hawkins, John, 92
- Hay, John, 498, 567, 582
- Haya de la Torre, Victor Raúl, 406, 418, 483
- Hay-Herran Treaty, 469
- Hay-Pauncefote Treaty, 565
- Health: pre-Conquest, 12; in Cuba, 396 (illus.), 397, 398, 552; in Venezuela, 488; in Brazil, 501. *See also* Medicine
- Hearst, William Randolph: Cuba and, 379
- Heath, Edward, 580
- Hegemony, 313; of United States, 559, 565, 575
- Helg, Aline, 235, 382
- Helms, Jesse, 522
- Helms, Richard, 312
- Helms-Burton Act (1996), 552
- Helú, Alfredo Harper, 293
- Helú, Carlos, 292
- Henequen: in Mexico, 249, 250
- Henige, David, 12
- Henry IV (Castile), 39, 40
- Henry of Navarre, 48
- Henry (“the Navigator”), 52–53
- Heretics: conversos as, 106
- Hermandades (military associations): in Castile, 39
- Hernández, Melba, 389
- Hernández Martínez, Maximiliano, 458
- Herrera, José Isabel, 382
- Heskett, Robert, 113n
- Hidalgo (noble) class, 4; in Spain, 49
- Hidalgo (state): revolt in, 204
- Hidalgo y Costilla, Miguel, 147, 150, 172–173, 172 (illus.), 173, 196
- Hidalguía, 110
- Hierarchical social structure, 196
- Hierarchy: of social organization, 9, 10; of Aztec courts, 27. *See also* Class; Social stratification; Status; specific groups
- Hieroglyphic writing: Olmec, 14; Zapotec, 15; of Maya, 19, 20
- Higher education: in Cuba, 398
- Highlands: agriculture in, 8, 9
- Hinojosa, Antonio de, 113n
- Hip-hop culture: in Cuba, 556
- Hiriart, Lucía, 508
- Hispania: origins of term *Spain* and, 36
- Hispaniola: chiefdoms in, 10; native population of, 11; population before Conquest, 11–12; Columbus at, 55–56; as Española, 55; Spanish colonization of, 77; sugar in, 87
- History of Ancient Mexico* (Clavigero), 148, 149
- History of Chile* (Molina), 149
- History of the Indians of New Spain* (Motolinía), 107
- Holland: Venezuela and, 269
- Hollander, Nancy Caro, 369
- Holloway, Thomas, 75n
- Holy Roman Emperor: Charles V as, 47–48
- Home rule: in Mexico, 170
- Homosexuality: in Argentina, 369–370
- Honduras: Maya in, 17; Spanish conquest of, 65; in United Provinces of Central America, 216–218; Carrera in, 217; government in, 217; U.S. military aid to, 454; used for Nicaraguan invasion, 454; El Salvador war with, 459
- Honor: sexual, 118–119
- Hoover, Herbert: Nicaragua and, 448; Latin America and, 572
- Horne de Burmeister, Carmela, 367
- Horror Archives (Paraguay), 310
- Horses, 87, 88
- House of Trade, 91
- Housewives of the Country, 513
- Housing: of Maya, 18; Aztec, 26; of Inca peasants, 34
- Houston, Sam, 200
- Huacas (local objects and places): of Inca, 35
- Huari Empire, 30
- Huascar (Inca), 31, 67
- Huasipungo (labor system): in Ecuador, 414
- Huayna Capac (Inca), 66
- Huemac (Toltec), 22
- Huerta, Adolfo de la, 325
- Huerta, Victoriano, 317–319; dictatorship of (Mexico), 317–319; opposition to, 319–320; fall of, 321
- Huitzilopochtli (god), 23, 24
- Hull, Cordell, 386, 573
- Humanists: in Spain, 43
- Human rights: in Guatemala, 445, 446; in El Salvador, 460–461, 463, 465, 466–467; in Colombia, 479; in Venezuela, 492; Pinochet and, 508; in Argentina, 512, 514; Carter and, 581; Clinton and, 588
- Human rights groups: in El Salvador, 461
- Human sacrifice, 24n; Maya, 18, 20; Toltec influence and, 18; Aztec, 20, 24, 24n; Inca, 35

- Humboldt, Alexander von, 139, 141–142, 148, 151, 159
- Hunger strikes, 510
- Hunter/gatherers: in Ancient America, 7–8
- Hurtado, Andrés, 74
- Hyperurbanization: in Latin America, 392
- Ibáñez del Campo, Carlos, 388, 425, 426, 427, 429
- Iberians: conquests by, 36
- Ice Age: colonization in, 8
- Ideology: U.S. Latin American policy and, 561
- Illegitimacy, 119
- Illia, Arturo, 373, 579
- Illiteracy. *See* Literacy
- IMF. *See* International Monetary Fund (IMF)
- Immigrants and immigration: creole resentment of, 151; European (post 1880), 187; in Argentina, 208, 211, 253, 357, 359, 363; in Brazil, 229, 340; in Guatemala, 266; in Venezuela, 269, 482
- Imperialism: in postclassic period, 14; of Aztecs, 23–26; of Inca, 31; by United States, 246; competition for overseas markets and, 276; PNAAC call for, 589
- Imports: Aztec, 27; into Argentina, 253; gap with exports, 284; into Chile, 430; into Mexico, 515
- Import substitution: in Mexico, 334; in Argentina, 367; in Venezuela, 489
- Inca civilization, 9, 10, 11, 68–69; Aztecs and, 25; origins of, 29–30; economy and society of, 30–34; growth of empire, 31; resettlement, 31; masculinity and, 33; soldiers, 33; human sacrifice by, 35; learning in, 35; oral literature of, 35; religion of, 35; remnants of, 35; Pizarro and, 66–67; warfare in, 69; *Natural and Moral History of the Indies* (Acosta), 107; José Gabriel Condorcanqui (Tupac Amaru II) and, 153, 155 (illus.); revolt, 153–156; idealization of, 154; Peruvian return to, 405
- Income: from tribute, 79–80; in Ecuador, 414; in Brazil, 501, 510. *See also* Distribution of income
- INCORA (Colombia), 473
- Independence: struggles for, 152–153; revolt in Peru for, 154; of Haiti, 160; of Chile, 167; declared in Argentina, 167; of Peru, 168, 228; of Brazil, 169–170, 220–221; in Mexico, 170–176, 196–205; wars for, 182; dictators and revolutions after, 193–218; economic stagnation after, 194–195; of Paraguay, 209; of Central America, 216–218; of Cuba, 231–234, 376–381; of Venezuela, 237; economic (Mexico), 332
- Independence Day: in Brazil, 170
- Independent Party of Color (PIC): in Cuba, 382
- India: Portugal and, 53
- Indian Ocean: Portuguese trade in, 54; Columbus and, 56
- “Indian” policy: of Spain, 5
- Indians: Columbus’ naming of, 60. *See also* Indigenous peoples
- Indies: Columbus and, 55; legality of Spain’s claim to, 77; Inquisition in, 106; class and caste in, 110–121. *See also* Portuguese America; Spanish America
- Indígenas, 180
- Indigenismo: in Peru, 405–406
- Indigenous peoples, 150; Jackson, Andrew, and, 5; agriculture of, 8; hunting/gathering by, 8; European perspective on, 56–60; Conquest as end of civilizations of, 57; in Chile, 68, 538; in Mexico, 68, 519; nature of, 76; encomienda and, 77; Requerimiento and, 77; prohibition against enslavement of, 79; decline of population of, 80; treated as serfs, 81; abolition of enslavement of, 83; black slavery as replacement for, 83; handicrafts of, 89–90; provincial administration of, 98–99; regulating labor of, 100; cities for, 101; Spanish ruling domination of, 102; Inquisition and, 106; social order, in colonial era, 112–115; status of, 112–115; as commoners, 114; on haciendas, 118; women of, 121; Portuguese policy toward, 124–126; extermination of, 125; acculturation of, 152, 182; opposition to mita by, 152; protests by, 152–153; repartimiento de mercancías and, 152–153; revolt in Peru by, 153–156; New Granada insurrection and, 156–157; interest in, 196; rights of, 196; in California, 201; land uses by, 201–203; in Argentina, 206; in Peru, 228, 402–403, 402 (illus.), 419; community lands of, 245; draft labor for, 245; village lands of, 249; Conquest of the Desert (Argentina) and, 253; in Guatemala, 266, 444, 445, 445 (illus.), 446; War of the Comuneros (Nicaragua) and, 267; racial prejudice and, 302; Catholic church and, 308; education in Mexico for, 326; Cárdenas (Mexico) and, 333; in Bolivia, 407, 409, 412; in Nicaragua, 455–456; in Colombia, 476. *See also* Indigenismo; Menchú, Rigoberta
- Indigenous Rulers: An Ethnohistory of Town Government in Colonial Cuernevaca* (Heskett), 113n
- Indigo, 217, 267; in Guatemala, 266
- Industrialization, 279; in Argentina, 206, 367; in Brazil, 263, 340, 341, 346, 348; after World War II, 279–280, 574; export-import gap and, 284; in Cuba, 381, 393; in Ecuador, 414; in Chile, 427; in Guatemala, 441; in El Salvador, 459; in Colombia, 470; in Venezuela, 489
- Industrial Revolution, 191–192, 243
- Industrial Social Service (SESI): in Brazil, 354
- Industry: Spanish, 42, 45; colonial, 89–90; mercantilist trade and, 91; Portuguese, 126–128; in Spanish America, 142–143; modernization in Mexico, 197; in Paraguay, 209; in Chile, 215; Grace, W. R., in Peru, and, 230; in Colombia, 240, 270; in Mexico, 250, 334, 516–517; foreign management in Argentina and, 253; in Brazil, 265, 340, 341, 348, 501; in Argentina, 358, 370–371; Perón and, 374; sugar-using, 384; in Guatemala, 442–443; maquiladoras and, 517; U.S. investment in, 573–574
- Infante, Pedro, 334
- Infant mortality: in Chile, 423; in Guatemala, 446; in Cuba, 556
- Inflation: in Mexico, 250; in Argentina, 253–254, 357, 359, 363, 365, 372, 373, 374, 513; in Colombia, 271, 475; in Brazil, 340, 348, 350, 524, 526; in Chile, 429, 431; in Nicaragua, 455, 521; in Venezuela, 491, 492–493
- Informal economic sector. *See* Service (informal) sector
- “Infrapolitics,” 510
- Infrastructure: in Argentina, 212, 253; in Peru, 229, 404; in Nicaragua, 267, 454; in Venezuela, 268–269; in Cuba, 392, 393; in Guatemala, 439
- Inheritance: by heir of encomendero, 79; Spanish laws of, 86
- Inquisition, 189; in Spain, 46; in New World, 106; restrictions on, 136; Mutis and, 147; radical ideas and, 148; independence and, 176
- Institute of Agrarian Reform (INRA), 392

- Instituto Nacional Indigenista, 303  
 Integration Decree (1962, Mexico), 335  
 Intellectual thought, 13; of Maya, 19–21; of Ferdinand and Isabella, 41–43; Inquisition in Spain and, 46; about Discovery, 56–60; in Spanish colonies, 147–148; of Jesuits, 148; Creole, 148–150; in Peru, 405–406. *See also* Literature; Positivism  
 Intendant system: in colonies, 145  
 Inter-American Democratic Charter, 589  
 Inter-American Development Bank (IDB): Sandinistas and, 584  
 Inter-American Women's Commission (CIM, Bolivia), 408  
 Inter-American Women's Conference (1947, Guatemala), 441  
 Interest payments: in Argentina, 357–358  
 Interest rates: for foreign loans, 283; in Nicaragua, 454; in Brazil, 526  
 Intermarriage, 118–119  
 International banking system: Mexico and, 515  
 International Conference of American States (Bogotá 1948), 576  
 International Feminist Congress (Argentina), 362  
 International Labor Organization, 296  
 International Monetary Fund (IMF), 284–285, 287, 289; protests against, 289; Brazil and, 352, 505; Argentina and, 373; Peru and, 415, 418; Chile and, 429; Venezuela and, 468, 490, 491; Colombia and, 476, 478; Mexico and, 515, 516; Haiti and, 584; impact in Latin America, 587; U.S. policy and, 587  
 International Petroleum Company (IPC), 404, 406, 409  
 International Railways of Central America (IRCA), 439–440, 576  
 International Telephone and Telegraph Company: in Chile, 580  
 International Women's Day (1978), 510  
 International Year of the Indigenous Peoples of the World (UN), 304  
 Interracial unions: in Brazil, 131  
 Intervention by United States. *See* specific countries  
 Invasions: of Mesoamerica (A.D. 800), 23; of Spain, 36  
 Investment: in Argentina, 206, 253; U.S. investment in Cuba, 234; in Latin America, 244; by United States in Latin America, 573–574. *See also* Foreign investment  
 Iran-contra scandal, 520  
 Iraq: Gulf War and, 586  
 Iron ore: in Brazil, 348  
 Irrigation, 9, 10; by Aztecs, 27; by Incas, 31–32; in Mexico, 334; in Peru, 411  
 Isabella of Castile, 40, 40 (illus.); Columbus and, 55. *See also* Ferdinand and Isabella (Spain)  
 Isolation: pre-Conquest, 12  
 Isthmus of Panama, 96; trade in, 91, 92; U.S. lease of, 567. *See also* Panama  
 Italian possessions: Spanish, 135  
 Italy: Brazil and, 348  
 Iturbide, Augustín de, 175, 196, 199, 216  
 Iturrigaray, José de, 170  
 Itzam Na (Maya god), 19  
 Itzcoatl (Aztec), 23, 24; water system under, 27  
 Ivonnet, Pedro, 382 (illus.)  
 Ixtlilxochitl, Fernando de Alva, 107  
 Jackson, Andrew, 5  
 Jacobsen, Nils, 156  
 Jagan, Cheddi, 576, 578  
 Jaguaribe, Hélio, 355  
 Jamaica, 61; chiefdoms in, 10; Columbus in, 56; English in, 93; Bolívar in, 165  
 Japan, 55  
 Jara, Víctor, 432, 434, 508, 509 (illus.)  
 Jazz, 504. *See also* Music  
 Jean-Baptiste, Chevannes, 584  
 Jefe político (Guatemala), 217  
 Jefferson, Thomas, 562  
 Jesuits, 105, 189, 310; wealth of, 104; expulsion from colonies, 105–106; missions of, 105–106; as state within a state, 106; expelled from Brazil, 125; protests against mistreatment of natives, 125; in Brazil, 130–131; expulsion from Spain, 136; debt peonage and, 142; in El Salvador, 461, 465  
 Jews: in Spain, 37, 37 (illus.), 45–46; as conversos, 41, 45–46, 46 (illus.); expulsion from Portugal, 54; prohibited from going to Indies, 106; in Argentina, 359, 363. *See also* Judaism  
 Jiménez, Dolores, 313, 314, 315  
 Jiménez de Cisneros, Francisco, 42, 43  
 Jiménez de Quesada, Gonzalo, 71  
 Jipitecas, 336  
 João III (Portugal), 122  
 João IV (Portugal), 221  
 João VI (Portugal), 169, 170  
 Jobim, Antonio Carlos (Tom), 352  
 John II (Aragon), 40  
 John II (Portugal), 53  
 John Paul II (Pope), 307, 553, 557  
 Johnson, Julie Greer, 109  
 Johnson, Lyndon B., 579  
 John XXIII (Pope), 305  
 Joint ventures, in Cuba, 553  
 José I (Portugal), 128  
 Jovem guarda (Brazil), 502  
 Juana (Castile), 40  
 Juana (daughter of Ferdinand and Isabella), 47  
 Juana Elena Mendoza Infantry Company, 456  
 Juárez, Benito, 195, 201, 202 (illus.); Ley Juárez (Juárez Law) and, 200, 201, 202; clergy and, 203; as president, 204; anticlerical decrees of, 245  
 Juárez Law. *See* Ley Juárez (Juárez Law)  
 JUCEPLAN (Cuba), 393  
 Judaism, converso return to, 106  
 Judicial review, 98–99  
 Judicial system. *See* specific countries  
 Julião, Francisco, 354  
 Julius II (Pope), 101  
 July Revolution (1830, France), 221  
 Júnior, Caio Prado, 130, 134  
 Junta Patriótica (Venezuela), 487  
 Juntas de manumisión, 237  
 Justicialismo (justice for all), 372  
 Justo, Juan Bautista, 362  
 Kagan, Robert, 589  
 Kalmanovitz, Salomón, 475  
 Kamen, Henry, 94  
 Kamman, Curtis, 590–591  
 Karttunen, Frances, 63n  
 Kellogg, Frank, 329  
 Kennecott company, 429  
 Kennedy, John F.: Alliance for Progress of, 281, 578; Cuba and, 391, 392; Latin America and, 561, 578–579  
 Kennedy, Joseph (Congressperson), 310  
 Kingdom of Mosquitia, 267  
 Kings: priest-kings, 10, 13; of Castile, 39  
 Kinship: in tribes, 10; groups in Formative period, 13; Aztec, 24; of Inca, 32  
 Kirchner, Néstor, 288, 531  
 Kissinger, Henry, 436; CIA and, 312; Chile and, 436; Latin American dictators and, 580  
 Knox, Clinton, 582  
 Knox, Philander C., 569  
 Korean War, 387  
 Korner, Emil, 260  
 Koster, Henry, 131  
 Krauze, Enrique, 303  
 Kristol, William, 589  
 Kroeber, A. L., 11, 12  
 Kropotkin, Peter, 190  
 Kubitschek, Juscelino, 351

- Kurakas (headmen), 112; in Peru, 112;  
Hispanicized, 113
- Kuwait, 586
- Labor: tribute, 4; Aztec, 27; of Incas, 33;  
slave, 54; shortage of, 61; indigenous,  
76, 100; *encomienda* and, 77–79;  
enslaved Mayan, 78 (illus.); concu-  
bines and, 80; repartimiento system  
of, 81; debt servitude and, 82–83;  
for silver mining, 88, 140; enslaved  
in Potosí, 90 (illus.); slave trade and,  
126; of Brazilian slaves, 131–132;  
agricultural production and, 139;  
on haciendas, 139; debt for holding,  
142; struggles in colonial Spanish  
America, 142–143; in Potosí silver  
mines, 154; in Central America, 217;  
agricultural, 245–246; conditions  
of, 245–246; women and, 300, 324;  
Madero and, 316; in Brazil, 340,  
341, 346–347, 350–351, 505–506;  
in Cuba, 380–381, 395–396; in  
Ecuador, 415; in Guatemala, 442,  
445–446; in El Salvador, 457; in  
Colombia, 470–471; in Venezuela,  
485; in maquiladora plants, 517;  
U.S. labor and NAFTA, 518. *See also*  
Strikes; Trade unions; Yanaconas  
(permanent servants); specific  
countries
- Labor code, 348
- Labor Contracting Law (Argentina), 296
- Labor movement: in Argentina, 255; in  
Mexico, 331–332; in Brazil, 340; in  
Cuba, 395–396; in Peru, 404
- Labor Party, Perón and, 369
- Labor strikes. *See* Strikes
- Labor systems: in 18th century, 142–  
143; *enganche* (Peru) as, 401
- Labor unions: in Argentina, 358, 361,  
367; in Ecuador, 414; in Brazil, 504.  
*See also* Trade unions
- Labor unrest, 251
- Ladd, Doris, 143
- Ladina women, in Guatemala, 441
- Ladino (mestizo) farmers: in El Salvador,  
268
- La Escalera Conspiracy, 232
- Lafaye, Jacques, 149
- Laféber, Walter, 564
- Lage, Carlos, 553
- Lakes, as Aztec water supply, 27
- Lake Texcoco, 23
- Lake Titicaca, 30
- Land: Aztec, 28; in Spain, 44–45;  
concentration of, 85–86; Spanish  
settlements and, 105; agricultural  
production and, 139; church-owned  
(Mexico), 202; in Mexico, 202–203,  
328; in Argentina, 205–206, 211,  
358–359; in Brazil, 221, 524–525,  
526; in Venezuela, 237–238, 485,  
489; hacienda system and, 245–246;  
in El Salvador, 267–268, 459,  
461–462; in Colombia, 270–271,  
470, 473; Madero and, 316; Mexican  
reforms in, 326, 328; in Guatemala,  
446; distribution in Brazil, 526–527;  
in Cuba, 554. *See also* Communal  
landholding system; Haciendas  
(estates)
- Landa, Diego de, 19, 21
- Landed aristocracy, 194, 230. *See also*  
Aristocracy; Haciendas (estates);  
Landowners; Latifundio (great estate)
- Landholding, 181, 426, 430, 433, 436
- Land-invasion movement: in Peru, 409
- Landless People's Movement (MST,  
Brazil), 288, 526
- Landowners, 291; Aztec, 24; supreme  
power of, 95; in Andes, 139; in  
Mexico, 139, 249–250, 333;  
revolutions and, 176; in Chile, 213–  
214; in Guatemala, 217, 266; in  
Brazil, 224, 341, 506, 507; in Cuba,  
234; in El Salvador, 268; Obregón  
and, 326; in Peru, 401–403; in  
Nicaragua, 453
- Land reform: in Cuba, 391; in Bolivia,  
408; in Peru, 411–413; in Ecuador,  
414; in Nicaragua, 454; in  
Venezuela, 494; in Brazil, 506, 507.  
*See also* Agrarian reform
- Land tenure: in Mexico, 139; in Brazil,  
262; in Guatemala, 266
- “Land to the Tiller,” 462
- Languages: evidence of ancient  
settlement and, 8; Quechua, 31, 35;  
Castilian, 43
- Lanusse, Alejandro, 374
- La Plata (capital of Brazil), 252
- La Plata river system, 208
- Las Casas, Bartolomé de, 4, 12, 58, 73,  
74, 101, 102 (illus.); population  
of Hispaniola and, 11–12; struggle  
against indigenous slavery and, 78;  
on indigenous welfare, 102
- Lascasian wing, of clergy, 102
- Lastarria, José Victorino, 214
- Latifundio (great estate), 295;  
agricultural production and, 139; in  
Chile, 214, 426–427; in Cuba, 231,  
380–381; in Colombia, 237, 270,  
470, 473; in Brazil, 347; in Bolivia,  
408, 576; in Peru, 409, 411
- Latifundismo struggle, 276
- Latifundista capitalist class, 289–290
- Latin America: colonial conquest, trade,  
and enslavement, 84; viceroyalties  
in, 144 (illus.); independence of,  
158–176; liberation of South  
America and, 162–163; in 1830,  
198 (illus.); U.S. challenges to Britain  
in, 246; competition for markets  
in, 276; 1900–1930, 276–277;  
1930–1970, 277–282; 1970–2003,  
282–289; U.S. relations with,  
559–592; United States adventurism  
in, 563–565; U.S. cold war policy in,  
575–579
- Latin American bishops conference, 280
- Latin American Free Trade Association  
(LAFTA), 578
- Latin America Studies Association  
(LASA), 455
- Latin language, and Spanish language,  
36
- Lavalas movement, 584
- Lavradio, marquis de, 130
- Lavrín, Asunción, 119
- Law: Roman, 36; Spanish colonial,  
100; land owners protected by, 114;  
indigenous peoples and, 195; in  
Guatemala, 217
- Law 11.317 (Argentina), 365
- Law 5291 (Argentina), 362
- Law of Agrarian Reform (1963, Cuba),  
394
- Law of Family Relations (Mexico), 325
- Law of Social Prophylaxis (Argentina),  
366
- Laws of Burgos, 77
- Laws of the Indies (1681), 96, 110
- Laya, Argelia, 486
- Lazarillo de Tormes* (novel), 50
- Leal, Yolanda, 484
- Leão, Nara, 352
- Learning: of Maya, 19–21; of Inca, 35;  
in Spain, 42–43. *See also* Education;  
Intellectual thought
- Lechín, Juan, 408
- Le de Terrenos Baldíos (vacant public  
lands), 249
- Leech, Garry, 478
- Leftists: in Brazil, 347; in Chile, 431, 432,  
435–436; in Colombia, 476, 478
- Legend, of Spanish cruelty, 5
- Legislation: for women in Argentina,  
365; in Peru, 416
- Leguía, Augusto B., 404
- Leguía, Juan, 404
- Léon and Castile, 38
- León Carpio, Ramiro de, 446
- León de la Barra, Francisco, 315
- León y Gama, Antonio de, 148
- Lepanto, battle at, 48

- Lerdo de Tejada, Miguel, 201, 203  
 Lerdo de Tejada, Sebastian, 204  
 Lerdo Law. *See* Ley Lerdo (Lerdo Law)  
 Lesser Antilles, 93  
 Letrados, 41  
 Livingston, Roberto M., 374  
 Ley de Deslindes (1883), 249  
 Ley de Terrenos (1894), 249  
 Ley Juárez (Juárez Law), 202, 203  
 Ley Lerdo (Lerdo Law), 200, 202, 203, 245  
 Ley Maldita (Accursed Law), 428, 429  
 Liberal Alliance (Brazil), 344  
 Liberalism, 195–196; in new states, 191; in Mexico, 195–196, 199–201; in Chile, 212, 215–216; in Central America, 216. *See also* Neoliberalism  
 Liberal Party: in Mexico, 199; in Colombia, 241  
 Liberals: in Nicaragua, 218; in Venezuela, 238; land seizure by, 245; in Argentina, 252; Guatemalan reforms, 265; in Nicaragua, 267, 448; in Colombia, 270–271, 471, 473  
 Liberation: of South America, 162–170; southern liberation movement and, 166–169; of Río de la Plata region, 205–206. *See also* Independence  
 Liberation theology, 280, 305–306, 504  
 Liberator. *See* Bolívar, Simón  
 Libertadora, La, 175  
*Libertos*, 240  
 Life expectancy, 445  
 Lifestyle: of Chibcha and Muisca chiefdoms, 10; of Maya, 18–19; Aztec, 26–29; of Guaraní people, 80–81; in cities, 116–118; on haciendas, 139. *See also* Standard of living  
 Liga Roja (El Salvador), 457  
 Lima, 116, 117; Spanish in, 67; university in, 106; independence and, 169  
 Lima Inquisition, 106  
 Limantour, José Yves, 249  
 Limpieza de sangre (purity of blood), 110  
 Liniers, Santiago, 166  
 Literacy: as voting requirement, 195, 213, 220, 258, 469; in Paraguay, 209; in Guatemala, 266; indigenous population, 300; in Mexico, 327; in Cuba, 398, 556; in Nicaragua, 456–457  
 Literature: Spanish writers of Latin literature, 36; in Spain, 50–51; of colonial era, 108–110; in 16th century colonies, 147–148; Jesuit, 148; 1820–1900, 190  
 Littoral provinces: in Argentina, 208  
 Livestock: in Argentina, 211; in Cuba, 231. *See also* Cattle industry  
 Llaneros, 164, 165  
 Lleras Camargo, Alberto, 473  
 Loans. *See* Foreign loans  
 Local government: in New Spain and Peru, 114, 115; in Brazil, 129–130  
 Lodge, Henry Cabot, 577  
 Lombardo Toledano, Vicente, 331  
 Long, Boaz, 385  
 López, Alfonso, 470  
 López, Carlos Antonio, 209–211, 244  
 López, Francisco Solano, 209, 244  
 López, Gonzalo, 309  
 López, Pero, 74  
 López Contreras, Eleazar, 482–483  
 López de Gómara, Francisco, 4, 56–57  
 López de Palacios Rubios, Juan, 77  
 López Mateos, Adolfo, 334, 335  
 López Pérez, Rigoberto, 449  
 López Portillo, José, 514, 515  
 López Solano, Francisco, 209  
 “Los dinosaurios” (“The Dinosaurs”), 512  
 Los Shapis (Peru), 416  
 Louisiana Purchase, 562  
 L’Ouverture, Toussaint, 184  
 Loyalty Club, 320  
 Lucan (poet), 36  
 Lúis Guzmán, Martín, 320  
 Lula. *See* Silva, Luís Inácio da (Lula)  
 Lula da Silva, 301  
 Lula (Luís Inácio da Silva), 288  
 Luque, Hernando de, 66  
 Lusinchi, Jaime, 490  
 Lutz, Berta, 344, 345  
 Luz, Clara de la, 427  
 Luzardo, Olga, 482  
 Lynch, John, 94, 186, 207  
 Macehualtin (commoners), 24  
 Maceo, Antonio, 233, 234, 377, 377 (illus.), 389  
 Machado, Gustavo, 483  
 Machado y Morales, Gerardo, 276, 385, 386, 572  
 Machaka, Laureano, 408  
 Machismo, 298  
 Machu Picchu, 35  
 Madeira Islands, 53, 54, 123  
 Madero, Francisco, 252, 314; as president, 315; murder of, 319  
 Madrid, Treaty of, 93  
 Mafia, 475  
 Magaña, Álvaro, 464  
 Magellan, Ferdinand, 61  
 Magoon, Charles, 381  
*Maine* (ship), 379  
 Maize, 8, 13, 18, 29, 30, 118; in Peru, 20; Mexican import of, 515  
 Majano, Adolfo, 461  
*Making of Bourgeois Europe, The* (Mooers), 93n  
 Malacca, 54  
 Malay Peninsula: Portugal and, 54  
 Malinche, 63, 63n  
 Malinda, Kenya, 53  
 Mallon, Florencia, 196, 244  
 Malnutrition, 501. *See also* Food  
 Malvárez, Inés, 324  
 Malvinas, 143, 513  
 Mamacuna (holy women): of Inca, 35  
 Management: foreign, in Argentina, 253  
 Manco (Inca), 67  
 Manco II (Inca): revolt by, 153  
 Manifest Destiny, 561–563  
 Manifesto to the Citizens of New Granada, 164  
 Manila: Acapulco trade with, 91; loss to England, 146  
 Manioc, 8  
 Mann, Horace, 211  
 Manuel de Céspedes, Carlos, 233  
 Manuel I (Portugal), 53, 54  
 Manufactured goods, 194  
 Manufacturing: Aztec, 28; Spanish colonial, 140–141; in Brazil, 265, 348, 501; foreign investment in, 280; after World War II, 574  
 Manumission, 184, 229; in Brazil, 133; in Paraguay, 209; in Venezuela, 238. *See also* Slaves and slavery  
 Maoism, and Shining Path, 418, 419  
 Maps, 53  
 Maquiladoras, 517, 587  
 Maquilas, 446  
 Marcona Mining, 412  
 Marcos (Fray), 70  
 “Marginal elites,” 171  
 Mariana Grajales Brigade, 389  
 Mariátegui, José Carlos, 405, 406  
 Mariel emigrants, 397  
 Marighella, Carlos, 503  
 Marines (U.S.): in Cuba, 382; in Nicaragua, 447–448, 565, 569; in Panama, 567; Mexican occupations by, 571; removal from Cuba, Dominican Republic, and Nicaragua, 572; in Dominican Republic, 579  
 Marinha e Ultramar, 129  
 Maritime Canal Company, 565  
 Maritime Workers’ Federation (Argentina), 363  
 Markets: Portuguese, 128; Chilean products, 212; internal, 244; competition for, 276; World War I and, 277; in Cuba, 380–381; Chilean, 426; coffee, 457; in Brazil, 501; in Latin America, 563–565

- Maroon communities, 220  
 Marquez, Pedro José, 148  
 Marriage: Aztec, 27; with indigenous women, 73; for land consolidation, 86; in colonial era, 118; sexuality, women, and, 118–121; civil, in Venezuela, 269  
 Martí, Agustín Farabundo, 449 (illus.), 458  
 Martí, José, 184, 234, 376–378, 377 (illus.), 389  
 Martí (Bishop, Venezuela), 119  
 Martin, Joseph, 577  
 Martín, Luis, 121  
 Martínez, Hildeberto, 152  
 Martínez de Hoz, José de, 512  
 Martínez Montiel, Luz María, 303  
 Marx, Karl, 5, 57, 188  
 Marxism, 305; of Argentina's Socialist Party, 255; in Chile, 260, 434; in Cuba, 392; in Nicaragua, 452; in El Salvador, 457, 458; in Guiana, 576  
 Mascates, War of the (Brazil), 134  
 "Mask of Ferdinand," 170, 172  
 Massacres (El Salvador), 460  
 Masses: revolt of, 152–157; in Argentina, 207; in Venezuela, 494  
 Mass human sacrifice, 24, 24n  
 Matanza (massacre): in El Salvador, 458  
 Mateo O'Brien, Juan, 434  
 Material culture, 13  
 Material wealth, and missionaries, 104  
 Mathematics: in Classic period, 13; of Maya, 20  
 Matos, Huber, 391  
 Matthews, Herbert, 390  
 Matto Grosso, Brazil, 127  
 Mauá, Viscount, 185  
 Maurice of Nassau, 126  
 Mawe, John, 127  
 Maximilian (Mexico), 204, 563  
 Maya civilization, 14, 17–23; agriculture of, 9, 10; collapse of, 12; in Classic period, 13; lowland culture of, 17; age of, 17–18; economy and society of, 18–19; urban areas, 19; writing of, 19, 20–21; theology and, 19–20; intellectual life of, 19–21; religion of, 19–21; human sacrifice by, 20; arts of, 21, 21 (illus.); decline of, 22–23; Spanish and, 62, 65; codex of, 78 (illus.); uprising by, 152–153; in Guatemala, 444, 445 (illus.), 446, 447. *See also* Maya Classic civilization  
 Maya Classic civilization, 17–23; collapse of, 17–18; dates of, 17n; settlements of, 18–19; disintegration of, 22–23  
 Mayaorga, Silvio, 450  
 Mayapan, 18, 19  
 Mayeque (serflike peasants), 24  
 Mayorazgo (entailed estate), 86  
 Mayorga Quiroz, Román, 461  
 Mazombos, 170  
 Mazorca terrorist organization (Argentina), 207  
 McCarthy, Joseph, 576  
 McCormack, John, 577  
 McFarlane, Anthony, 153  
 McKinley, William: Cuba and, 379; war with Spain and, 566  
 McKinley Tariff Act of 1890, 235  
 Measles, 12  
 Meat, 87, 393. *See also* Cattle industry  
 Meat packing, 357, 358. *See also* Cattle industry  
 Medellín cartel, 475, 476  
 Medellín conference of bishops, 460  
 Médiçi, Garrastzaui, 580  
 Medici family, 61  
 Medicine, 397, 554. *See also* Health  
 Medina Angarita, Isaias, 483, 484  
 Meiggs, Henry, 230  
 Mejía, Tomás, 204  
 Melchor de Talamantes (Fray), 170  
 Meléndez family, 457  
 Mella, Julio Antonio, 385  
 Melo, José María, 270  
 MEMCH. *See* Women's Liberation Movement (MEMCH, Chile)  
 Men: clothing of Aztec, 26; Inca, 33  
 Menchú, Rigoberta, 304, 445 (illus.), 446, 447  
 Méndez Montenegro, Mario, 443  
 Mendieta, Carlos, 387  
 Mendoza, Antonio de, 70, 96  
 Mendoza, Pedro de, 71  
 Menem, Carlos Saúl, 296  
*Meniñas, Las* (Velázquez), 50, 50 (illus.)  
 Mercado, Ramón, 179  
 Mercantilism: Spanish-colonial trade and, 92; Spanish, 142  
 Merchant class, 194  
 Merchant guilds, 91  
 Merchants: Aztec, 24, 28; in Brazil, 122, 134; Portuguese, 128; English, 137–138; domination of trade by, 194; in Argentina, 208, 358; in Chile, 212; in Central America, 216; Colombian *Gólgotas* and, 241  
 Mercosur, 289, 495  
 Mercury: for silver processing, 88  
 Merino sheep, 39  
 Mesa da Consciência, 125  
 Mesoamerica: in Classic period, 13, 14; sites of pre-Conquest culture in, 16 (illus.); Time of Troubles in, 22. *See also* specific regions  
 Messianic movements, 262  
 Mesta (stockbreeders' association), 39, 45, 136  
 Mestizos (mixed race people): Guaraní and, 81; as farmers, 86; status of, 110–112; equality of, 119; Virgin of Guadalupe and, 149 (illus.), 150; social movement by, 151; as tributary category, 154; revolt of 1780–1781 and, 156; New Granada insurrection and, 157; tribute from (Peru), 228  
 Metallurgy, 35  
 Metate: Aztec, 26; maize as, 118  
 Methuen treaty (1703), 128  
 Mexican-Americans, and Treaty of Guadalupe Hidalgo, 201  
 Mexican Confederation of Labor (CTM), 296  
 Mexican Federal Labor Law, 517  
 Mexican Liberal Party (PLM), 313  
 Mexican National Council of Women, 327  
 Mexican Revolution, 313–338; fighting in, 314–315; United States and, 570–571  
 Mexicans, treatment of, in U.S., 200–201  
 Mexican War, 200, 562  
 Mexico: domesticated plants in, 8; Aztecs of, 10, 23–29; demographic history of, 11–12; after Conquest, 12; civilization of, 12; pre-Conquest population of, 12; early civilizations of, 14–17; Maya in, 17; Toltecs and, 22; Spanish conquest of, 61–66; expansion of Spanish conquest beyond, 65–66; Spanish right to control, 78–79; decline of native population in, 80; agricultural repartimiento abolished in, 81–82; cattle and sheep imported into, 87; silver in, 88–90; Acapulco-Manila trade and, 91; status in, 113; haciendas in, 139; land and, 139, 245, 249, 331–332; report on economy, 140; Mixton war in, 152–153; liberation movement and, 163; labor in, 171, 250–252, 326, 328, 334–335; politics in, 195–196, 199–201; independence and, 196–205; industrial modernization in, 197; trade deficit in, 197, 337, 515; economy in, 197–199, 204, 250, 332, 337, 514–516; first president of, 199; government of, 199, 203, 247–248; liberals vs. conservatives in, 199–201; cession of lands to U.S., 200; La Reforma in, 201–204; legislature, 203; socially

- conscious artists in, 248 (illus.); real estate in, 249; alcoholism in, 250; foreign control of economic sectors in, 250; strike in, 251 (illus.); nationalization of oil in, 279; NAFTA and, 285, 518, 587; Zapatista Army of National Liberation in, 287; women in, 316–317, 332; coup d'état in, 317; modern country of, 318 (illus.); United States and, 321, 323, 328–329, 562, 563, 566, 571, 572, 573; Constitution of 1917 in, 324–325; muralists in, 327; labor reform in, 331–332; bourgeoisie in power in, 333–334; resistance to modernization, 335; student protest movement in (1968), 335; popular music in, 335–336; devaluation of peso in, 337; oil and gas in, 514; debt crisis in, 514–516; neoliberalism in, 514–520; election of 1988 in, 516; elections in, 516; maquiladoras in, 517; public opinion on Chiapas rebellion, 519; California purchase from, 562; France and, 563. *See also* Aztecs; Constitutions; Mexican Revolution; Silver mining; Valley of Mexico; specific leaders
- Mexico City, 116; Teotihuacán and, 14; university in, 106; science in, 147–148; riots in, 152–153; cabildo (creole stronghold), 170; hunger strike in, 519
- Michoacán, 173, 201
- Middle Ages, in Spain, 37–41
- Middle class: in Spain, 136; in Spanish America, 151; in Mexico, 202; in Central America, 216; dissatisfaction by, 246; unrest in Mexico by, 250–252; in Brazil, 263; in Colombia, 271; since 1900, 293–294; youth in Mexico, 335–336; in Argentina, 357, 359; in Chile, 423, 427, 436. *See also* Class
- Middle Passage, 115
- Mier, Servando Teresa de, 150
- Migrant labor, 268
- Migration: to Ancient America, 7–8; within Venezuela, 482. *See also* Immigrants and immigration
- Mikoyan, Anastas, 391
- “Milagre dos Peixes” (Nascimento), 504
- Milánés, Pablo, 395
- Militarist period, 22
- Military, 309–312; Aztec, 26; in Castile, 39; Spanish, 41; defense of Spanish colonies and, 146; expansion of, 194; standing armies and, 194; privileges of, 196; in Mexico, 200, 204, 247–248; in Central America, 218; in Brazil, 222–224, 263, 353, 354–355; in Nicaragua, 267; in Colombia, 270, 472, 473, 476, 477, 478, 479, 480; in Peru, 281–282, 400–401, 406–407, 411, 412, 413; regimes of, 284; discreditation of regimes and, 287; peasant armies and, 316; Carranza and, 321–322; revolt in Brazil, 342; in Argentina, 356, 373–374; American, in Cuba, 379–381; in Ecuador, 413–415; in Chile, 425, 426, 436–437; in Guatemala, 444–446; in El Salvador, 458–459, 461; in Venezuela, 482, 484–487, 491, 493–497; United States and, 576, 578–579. *See also* Dictatorships; School of the Americas (SOA)
- Military coup: in Peru, 280; in Argentina, 368, 374
- Military Defense Assistance Act (1951), 571
- Military elite, 194
- Military junta: in Spain, 162; in Argentina, 166, 368; in Ecuador, 414; in Venezuela, 484–487
- Military state (Teotihuacán), 17
- Millenarianism, 101, 101n
- Miller, Francesca, 176, 361, 474
- Millones, Luis, 89n, 112
- Mills (sugar processing), 124
- Milonga. *See* Tango (Argentina)
- Milpas (farm plots), 18, 457
- Minchom, Martin, 152
- Minerals: in Brazil, 126–127; in Atacama region, 255; rights in Mexico, 327
- Mingas (free workers), 154
- Minifundio, 245
- Minimum wage, 501
- Mining and mining industry, 194; Cortés and, 85; colonial, 88–90; in Mexico, 171, 197, 251, 327, 564; in Peru, 228, 412; in Colombia, 240; in Chile, 260; Cataví massacre in, 407–409; workers in, 408. *See also* Copper industry
- Mining guild, 140
- Mining repartimiento, 81
- Minoperu, 412
- Minorca, 135
- Miramón, Miguel, 204
- Miranda, Francisco de, 160–161, 164
- Miscegenation, 116, 131
- Misión Barrio Adentro, 289
- Miskitos people, 456
- Missiles, in Cuba, 392
- Missionaries: conversion as task of, 102–103; disputes among, 103–104; decline of, 104–106; success of, 105; taming of wilderness by, 105; wilderness and, 105; and historical record, 107. *See also* Catholic Church; Clergy; specific individuals
- Missions, 105
- Mita: repartimiento as, 81; replacement by silver, 82n; in Peru, 96; in Andean area, 142; opposition to, 152; burdens of, 153, 154
- Mitayos (drafted workers), 153
- Mítimaes (colonists), 31, 33
- Mitre, Bartolomé, 208, 209
- Mixed companies, 280
- Mixed races, 110; soldiers of, 124 (illus.). *See also* Mestizos (mixed race people)
- Mixton war (Mexico), 152
- Mochica civilization, 13, 30
- Moctezuma, Isabel, 73
- Moctezuma II (Aztec), 24, 28
- Moctezuma (Montezuma) (Aztecs), 14; Europeans and, 61–62; Cortés and, 63–65; daughter of, 73
- Moderados (Mexico), 199
- Modern Art Week (São Paulo, Brazil), 342, 343 (illus.)
- Molina, Arturo, 460
- Molina, Juan Ignacio, 149
- Molina Enriquez, Andrés, 314
- Monarchy (Brazil), 260–262
- Monarchy (Portugal): Brazil taxation by, 129; church and, 130
- Monarchy (Spain), 6, 41; in Castile, 39; indigenous labor regulated by, 100; San Martín and, 168
- Monasteries, 42, 49. *See also* Missionaries
- Moncada, José María, 448
- Moncada clan (Nicaragua), 448
- Money: Aztec, 27; in Peru, 230; in Brazil, 263; in Colombia, 271; in Mexico, 328; in Argentina, 372
- Monoculture, 138, 244
- Monroe, James, 559, 562
- Monroe Doctrine, 562, 563; Venezuela crisis and, 565; Roosevelt Corollary to, 566
- Montaigne, Michel de, 9, 58, 126
- Monteagudo, Bernardo, 168
- Monte Albán culture, 13, 15
- Monteclaros, Marqués de, 104
- Monteiro, Goes, 349
- Montejo, Francisco de, 65
- Montesinos, Antón, 77
- Montesinos (Father), 125
- Montevideo, 205, 211
- Montoneros, 374
- Montt, Manuel, 214
- Monument ruins, 35
- Monzón, Luis, 324

- Moers, Colin, 93n  
 Moore, Robin, 395  
 Mora, José María Luis, 199, 200  
 Moraes, Vinicius de, 352  
 Morales, Bermúdez, Francisco, 415  
 Morales, Evo, 288, 304, 590, 591 (illus.)  
 Morales, Willy, 434  
 Morales Carrión, Arturo, 570  
 Morals: laxity of missionary, 104–105;  
   in Brazil, 130–131  
 Morazán, Francisco, 217, 218  
 More, Thomas, 58, 101  
 Moreau de Justo, Alicia, 362, 362 (illus.)  
 Morelos, José María, 173–174, 196  
 Moreno, Gabriel García, 190  
 Morillo, Pablo, 165  
 Morineau, Michel, 89  
 Moriscos (Muslims), 110  
 Morison, Samuel Eliot, 77  
 Morley, Morris, 388  
 Morocco, 52–53  
 Morones, Luis, 326  
 Morros (slums), 341  
 Morrow, Dwight, 329  
 Moscoso (Bishop of Cuzco), 155  
 Mothers and Grandmothers of the Plaza  
   de Mayo, 513  
 Mothers of the Plaza de Mayo, 299  
 Motolinía (Friar Toribio de Benavente),  
   11, 102, 103, 107; *History of the  
   Indians of New Spain*, 107  
 Mounds, 13, 14  
 Movement for United Popular Action  
   (MAPU, Chile), 432  
 Mozárabes, 37  
 Múgica, Francisco J., 324  
 Muisca chiefdoms, 10  
 Mulattos. *See* Mestizos (mixed race  
   people)  
 Mulattos, in colonial social order, 115  
 Mules, 87, 88  
 Multinationals: U.S. involvement in Latin  
   America and, 571  
 Municipal councils: taxation in Brazil  
   and, 129–130. *See also* Town  
   councils  
 Muñoz Marín, Luis, 570  
 Murals: of Maya, 21, 21 (illus.); in  
   Mexico, 327; in Chile, 509. *See also*  
   specific painters  
 Music: of Inca, 35; in Brazil, 341–342,  
   343, 352, 353; in Cuba, 385, 394–  
   395, 556; of Peruvian migrants,  
   416, 417 (illus.); in Peru, 416–418;  
   in Chile, 432, 434  
 Muslims: in Spain, 37–38; Spanish  
   Reconquest and, 38; Portugal and,  
   52–53; prohibited from going to  
   Indies, 106; as Moriscos, 110  
 Mutis, José Celestino Bruno (botanist),  
   147  
 Muzzilli, Carolina, 361, 362 (illus.)  
 Nabuco, Joaquim, 224  
 Nacional Financiera, 332, 333  
 NAFTA. *See* North American Free Trade  
   Agreement (NAFTA)  
 Nahuatl-speaking people, 23  
 Nairn, Allan, 584  
 Ñāningos, 235  
 Napoleon: Spain and, 161; fall of, 164;  
   capture of Charles IV and Ferdinand  
   VII by, 170; defeat of, 174  
 Napoleon III (France), 203, 563  
 Narcocapitalism, 475  
 Narcorevenues, 293  
 “Narcoterrorism,” 477  
 Narcotraficante. *See* Drugs and drug trade  
 Nariño, Antonio, 160  
 Narváez, Pánfilo, 69  
 Nascimento, Milton, 504  
 National Association of Peasant Unity  
   (ANUC, Colombia), 473  
 National Association of Small Farmers  
   (ANAP, Cuba), 393  
 National bank (Colombia), 271  
 National Black Convention (Brazil), 350  
 National Civil Police (El Salvador), 465  
 National Congress of Women Workers  
   and Peasants (Mexico), 330  
 National Federation of Salvadoran  
   Workers (FENESTRAS), 465  
 National Front coalition (Colombia), 473  
 National guard: in Brazil, 222; in El  
   Salvador, 457, 458, 460, 461, 465.  
   *See also* Nicaragua  
 Nationalism, 279; Creole, 148–150;  
   creole, 159; of Rivadavia, 207;  
   revolts and, 281–282; in Mexico,  
   324, 572; Perón and, 372; in Cuba,  
   384, 385; in Venezuela, 482, 489–  
   490; as obstacle to U.S. open-door  
   policy, 574; in Panama, 581  
 Nationalist Party (Puerto Rico), 570  
 Nationalist Republic Alliance (ARENA, El  
   Salvador), 463, 465, 466  
 Nationalization, 279; of nitrate industry,  
   259; in Brazil, 280; in Mexico, 332,  
   515; in Peru, 410, 411–413; in El  
   Salvador, 461; of Venezuelan oil  
   industry, 489  
 National Liberating Alliance, 372  
 National Liberation Alliance (ANL,  
   Brazil), 347  
 National Liberation Army (Colombia), 305  
 National Liberation Army (Cuba), 377  
 National Liberation Army (ELN,  
   Colombia), 473  
 National Ministry of Women, 508  
 National Motor Company, 348  
 National Movement of the Ballad (MNT),  
   395  
 National Opposition Union (UNO, El  
   Salvador), 460, 585  
 National Opposition Union (UNO,  
   Nicaragua), 520  
 National Party (Chile), 432  
 National Police and National Guard: in El  
   Salvador, 268, 465  
 National Reconstruction Plan, 465  
 National Revolutionary Movement  
   (MNR, Bolivia), 407, 576  
 National Revolutionary Party (PNR,  
   Mexico), 330, 332  
 National Service for Industrial Training  
   (SENAI), 354  
 National Steel Company, 348  
 National Student Union (Brazil), 500  
 National Union government (Colombia),  
   471  
 National Union of Salvadoran Workers  
   (UNTS, El Salvador), 464  
 National War, 218  
 National Women’s Council (Argentina),  
   361  
 National Workers’ Union (Mexico), 296  
 Native Americans: U.S. land acquisition  
   and, 562; U.S. racism toward, 564  
 Native peoples. *See* Indigenous peoples  
*Natural and Moral History of the Indies*  
   (Acosta), 107  
 Natural gas industry (Mexico), 514  
 Natural resources (Peru), 404  
 Natural slavery, Aristotelian theory of, 102  
 “Nature of Chilean Society, The”  
   (Bilbao), 214  
 Navarre, 43  
 Navas de Tolosa, Las: Christian victory  
   at, 38  
 Navigation: Henry of Portugal and,  
   52–53; astrolabe and, 53  
 Navy (U.S.), 564  
 Nazca culture, 13, 30  
 Nebrija, Antonio de, 43  
 Negroponte, John, 454, 495  
 Neighbor’s Commission (Argentina), 513  
 Neocolonialism, 244–247; hacienda  
   system and, 245–246; struggle  
   against, 276; Brazil and, 348; in  
   Peru, 401–407  
 Neoliberalism, 282, 283; failures of,  
   287–288; opposition to, 287–288; in  
   Chile, 436; in Venezuela, 490–493,  
   495; resurgence of, 498; in Mexico,  
   514–520; in Brazil, 524–529;  
   protests against, 592; U.S. promotion  
   of, 592

- Netherlands, 48–49, 135  
 Neutrality doctrine, 573  
 Neutrals, 138  
 Neves, Tancredo, 506  
 New Castile, Spain, 39  
*New Chronicle* (Waman Puma), 107  
 New Deal, 570  
 New Granada, 137, 143, 164; trade in, 91; insurrection in (1781), 156–157; Bolívar and, 166; freedom of provinces in, 166; Colombia in, 235, 239; Panama in, 239; U.S. agreement with, 563. *See also* Colombia  
 New Jewel Movement, 582  
 New Laws of the Indies (1542), 68, 79–81, 102  
 New Mexico: cession to U.S., 200; Hispanics in, 201; Santa Fe Ring in, 201; Villa raid on, 323; U.S. acquisition of, 563  
 New Panama Canal Company, 567  
 New poor, in Argentina, 530  
 “New Republic”: in Brazil, 507  
 New Song movement, 431–432  
 New Spain: Aztec Empire as, 65; audiencia of, 79; encomiendas and, 79–81; repartimiento in, 81–82; 17th century economy in, 89; trade in, 91; viceroyalty of, 96; indigenous local government in, 114; free trade in, 138; mining guild in, 140; Bourbon monarchy in, 170; autonomy within empire, 174–175  
 New World: Isabelline religious reform and, 42; Spanish agriculture in, 86–88; Inquisition in, 106  
 New world order, 587–592  
 Nezahualcoyotl (Texcocan), 23  
 Nicaragua, 447–457; Spanish conquest of, 65; in United Provinces of Central America, 216–218; government in, 217; Walker in, 218; economy in, 267, 447, 454–455; 1870–1909, 267; politics in, 267; women in, 298–299, 456–457; United States and, 447–448, 450, 452, 454, 564, 568–569, 572, 590; earthquake in (1972), 450; Sandinista Front for National Liberation in, 450, 451; general strike in, 451, 452; socialist aid to, 452; Sandinista government in, 452–455, 521; agriculture in, 453; reforms in, 453; natural disasters in, 454; Reagan and, 454, 584–585; self-determination for peoples of Atlantic Coast, 455–456; elections in, 520; foreign intervention and subversion of democracy in, 520–522; agrarian reform in, 521; foreign debt, 522; dictator in, 579; Carter and, 581. *See also* specific leaders  
 Nicaraguan Concession, 569  
 Nicaraguan Women’s Association (AMNLAE), 456  
 Nickel industry, 552  
*Niña* (ship), 55  
 Nitrate industry: in Chile, 215, 255, 422, 425; in Peru, 230; in Bolivia, 255; British control of, 255–256; nationalization of, 259  
 Nitrate Railways Company, 258, 259  
 Nixon, Richard, 312, 578; Chile and, 434, 436, 580; support for military regimes by, 580; Uruguay and, 580  
 Nobility: Aztec, 28; Inca, 34; in Castile, 39; in Spain, 40, 41, 43–44, 49  
 “Noble savages,” 60, 126  
 Nóbrega, Manoel da, 125  
 Nomads, 9  
 Nombre de Dios, 91, 92  
 Nonintervention policy (U.S.), 572  
 Noriega, Manuel Antonio, 310, 585–586  
 North, John Thomas, 258, 259  
 North America: gold and slave hunters in, 69; Coronado in, 70  
 North American Free Trade Agreement (NAFTA), 285, 518, 587  
 North American Invasion. *See* Mexican War  
 Northern Andean region, 137  
 Northern frontier, 105  
 Nuclear America, 11, 12–14  
 Nueva trova (new ballad), 395  
 Numeration: of Arabs, 20; of Maya, 20  
 Núñez, Rafael (Colombia), 190, 192, 246, 270–271, 469  
 Núñez Sucre, Cecelia, 482  
 Núñez Vela, Blasco, 68  
  
*O abolicionismo* (Nabuco), 224–225  
 OAS. *See* Organization of American States (OAS)  
 Oaxaca, 14, 15, 201  
 Obando y Bravo, Miguel, 452  
 Obrajes (workshops): debt servitude in, 82–83; growth of, 90  
 Obregón: as president of Mexico, 325–328; reforms under, 325–328; assassination of, 330  
 Obregón, Álvaro, 322, 323, 325, 326, 327  
 Observants, in Spain, 42  
 “Observations on the Treaty of Guadalupe Hidalgo” (Rejón), 200  
 O’Callaghan, Joseph F., 39  
 Ocampo, Melchor, 200, 201  
 Occidental Petroleum, 479, 591  
 “Of Cannibals” (Montaigne), 58  
 O’Higgins, Ambrosio, 145  
 O’Higgins, Bernardo, 167, 169, 212, 213 (illus.)  
 Oidores (royal agents), 98  
 Oil industry: in Mexico, 250, 332, 514; in Venezuela, 289, 468, 481, 483, 485, 487–493, 495; strike in, 332; Brazil and, 350, 355, 564; Cuba and, 391, 397, 552; in Peru, 404, 411, 413; loans to Peru and, 413; Ecuador and, 414, 415; in Colombia, 479–480; U.S. investment in, 572; Gulf War and, 586  
 “Oil opening,” 492  
 Ojeda, Alonso de, 61  
*O Jornal das Senhoras* (Manso de Noronha), 189  
 Olaya Herrera, Enrique, 470  
 Old Republic (Brazil), 340–345  
 Oligarchies: merchant, 91; underlying constitutions, 195; in Chile, 212, 213, 260, 422, 423, 435; in Argentina, 252, 254, 356, 357, 359; in Brazil, 263, 264; in El Salvador, 268, 457, 458–463; in Guatemala, 439, 440, 442, 444, 447; in Nicaragua, 447; in Colombia, 473  
 Olivares, count (Spain), 49  
 Ollantaytambo, 35  
 Olmec civilization, 14–17; in Formative period, 13, 14; Maya and, 17  
 Olney, Richard, 565  
 “On Cannibals” (Montaigne), 126  
 Onda, la (Mexican counterculture), 335  
 Onganía, Juan Carlos, 374  
 Opatá people, 105  
 Open-door system, 574  
 Operation Cleanup, 451  
 Operation Condor, 312, 580  
 Operation Just Cause, 586  
 Operation Success, 442  
 Operation Uncle Sam, 355  
 ORDEN (Organización Democrática Nacionalista) (El Salvador), 460, 461, 462  
 Ordinance of Intendants, 145, 146, 156  
 Orejones (big ears), 31 (illus.), 34  
 Orellana, Francisco, 71  
 Organic farming, 554  
 Organization, social/political, 9–11, 19  
 Organization of American States (OAS), 286, 585; on Chile, 435; Nicaragua and, 451; formation of, 576; on Venezuelan coup (2002), 590  
 Oriente Province. *See* Cuba  
 Orinoco River, 56

- Orizaba area textile strike, 251  
 Orozco, José Clemente, 202 (illus.), 327  
 Orozco, Pascual, 315, 317  
 Ortega, Humberto, 521  
 Ortega Saavedra, Daniel, 455, 590  
 Ortelius, Abraham, 58  
 Ortiz de Domínguez, Josefa, 175  
 Ortodoxo Party (Cuba), 387, 389  
 Orton, James, 186  
 Oruru, 88  
 Os Mutantes (group), 502, 503 (illus.)  
 Osorio, Oscar, 459  
 Ospina Pérez, Mariano, 471, 472  
*Ossertões (Rebellion in the Backlands)*  
 (Cunha), 262–263  
 Outsiders (forasteros), 142  
 Ovando, Nicolás de, 77  
 Oviedo, Gonzalo Fernández de, 71–72, 77  
 Owens, Jack, 41
- Pachayachachic (god), 35  
 Pachucuti Inca, 31, 31 (illus.)  
 Pacific Ocean region, Balboa and, 61  
 Pact of Punto Fijo (Venezuela), 487, 494  
 Pact of Zanjón (Cuba), 234  
 Padra, Ana Luisa, 484  
 Paez, Fito, 512  
 Páez, José Antonio, 165, 166, 237–239  
 Pagans and paganism: Thomas More on, 58; signs of, 103  
 Painting: by Maya, 21, 21 (illus.); in Spain, 50–51; in Mexico, 327. *See also* specific artists  
 Pájaros (hired assassins), 472  
 Palacios Rubios, Juan López de, 77  
 Palenques, 220, 236  
 Palmares, republic of (fugitive slave settlement in Brazil), 133  
 Pampas: in Argentina, 88; economic development in, 358  
 Pan-Africanism, 345, 504  
 Panama, 61; chiefdoms in, 10; Columbus in, 56; Dávila in, 66; freedom of, 166; in Colombia, 216n; independence from Colombia, 469, 567; U.S. invasions of, 562, 567–568, 585–586; Panama Canal and, 563; military coup in, 579; nationalization in, 581. *See also* Colombia; New Granada  
 Panama Canal, 448; Chile and, 422–423; Panamanian independence and, 469; United States and, 563, 566–568; return to Panama, 581, 585; Panama invasion and, 585–586  
 Panama Canal Treaty, 586  
 Panama Canal Zone Treaty, 310  
 Pan-American conferences, 572  
 Pan-American Women's Suffrage Alliance, 405  
 Panohuayan, 113  
 Pan o palo policy, 247  
 Paraguay, 71, 167, 209–211; encomienda in, 80; independence of, 205; economy in, 209–211; Brazilian rule of, 211; labor in, 211; development in, 244; Horror Archives in, 310; dictator in, 579. *See also* specific leaders  
 Paraguayan War, 209–211, 225, 244, 260  
 Parallel descent: in Inca society, 33  
 Paramilitary force: Reagan-authorized in Nicaragua, 454; in El Salvador, 460; in Colombia, 478  
 Paraná, 208  
 Pardo, Manuel, 230, 403  
 Pardos (free mulattos), 151, 239  
 Parliamentary Republic (Chile), 260, 425  
 Parliamentary system (Brazil), 507  
 Parra, Violeta, 431, 432, 434, 509 (illus.)  
 Parral (silver center), 88  
 Partido Democrático Nacional (PDN, Venezuela), 483  
 Partido Revolucionario Cubano, El, 377  
 Partido Revolucionario Democrático (PRD), 294  
 Partido Revolucionario Institucional (PRI), 296; in Mexico, 333, 337; opposition to, 519  
 Party of the Mexican Revolution (PRM), 331  
 Pasquini, Odette, 351  
 Patagonia, 8  
 Patch, Richard W., 408  
 Patriarchal family, 185, 359  
 Patriarchy, 219  
 Patrimonial servitude, 347  
 Patriots: Bolívar and, 163; in Caracas, 163; in Argentina, 167; navy of, 168. *See also* Creoles (American-born Spaniards); specific leaders  
 Patrocinio, José de, 227  
 Patronage, 364  
 Patronato (apprenticeship): for liberated Cuban slaves, 184, 234  
 Patrón (master), 195  
 Paulistas, in Brazil, 345  
 Pauw, Cornelius de, 149  
 Paz, Octavio, 120  
 Paz Estenssoro, Victor, 408–409, 576  
 Peace of Basel, 161  
 Peasant Leagues, 354  
 Peasantry, 295  
 Peasants: Aztec, 24, 28; Inca and, 34; in Spain, 37, 44; in Brazil, 133, 339, 342, 525; 18th-century revolts by, 152; in Peruvian revolt of 1780–1781, 154; Hidalgo and, 172, 173; as peons or serfs, 176; in Mexico, 200, 202–203, 326, 328, 330; in Colombia, 240, 270, 470, 474, 476; in El Salvador, 268, 457, 458, 462; armies of, 316; Carranza and, 323; in Peru, 409, 411, 415; in Ecuador, 414; in Guatemala, 442; in Nicaragua, 450, 451; landless in El Salvador, 460; in Venezuela, 483, 484, 485, 487, 488, 490, 494. *See also* Indigenous peoples  
 Peasants' Union (El Salvador), 462  
 Pecheros (taxpayers), 49  
 Pedro I (Portugal), 170, 220–221; as constitutional emperor of Brazil, 170  
 Pedro II (Portugal), 221, 224, 261 (illus.), 262  
 Peixoto, Floriano, 262, 263  
 Peninsulars, 111; vs. creoles, 111; Consolidation and, 147; wars of independence and, 158–161; in Mexico, 170, 176  
 Peonage, 142, 176, 181; in Mexico, 196–197, 203; in Paraguay, 209; in Nicaragua, 267  
 People's Organization of Pastaza (OPIP, Ecuador), 414  
 People's Property Area (Nicaragua), 453  
 People's Republic of China. *See* China  
 Peralta Barnuevo, Pedro de, 108  
 Pereira Passos, Francisco, 263  
 Pérez, Carlos Andrés, 489, 490, 491  
 Pérez, Louis, 385  
 Pérez Jiménez, Marcos, 483, 485, 486, 492  
 Permanent Assembly for Human Rights, 512  
 Pernambuco colony, 124, 126  
 Pernambuco uprising (Brazil), 221, 224  
 Perón: social policies of, 369–370  
 Perón, Evita Duarte de, 370–371, 371 (illus.)  
 Perón, Isabel, 511  
 Perón, Juan Domingo, 278, 295, 309, 356, 371 (illus.), 388, 574; era of, in Argentina, 368–373; downfall of, 371–373; return of, 374–375  
 Peronismo (Argentina), 373  
 Peronist Feminist Party (Argentina), 370  
 Pershing, John J., 323, 571  
 Peru, 8, 14, 69, 409–413, 415–416; ancient peoples in, 8; agriculture in, 9; pre-Conquest population of, 12; cultures of, 13, 30; Incas in, 29–35; Balboa and, 61; Spanish conquest of, 66–68; after conquest, 67–68;

- Gonzalo Pizarro revolt in, 68; Aguirre and, 74; Spanish right to control, 78–79; New Laws in, 79; decline of native population in, 80; labor in, 81, 228; mita in, 81; crops in, 87; viceroyalty of, 96; conversion in, 103; status in, 113; wealthy indigenous/mestizo nobles, 113; indigenous local government in, 114, 115; local government structure in, 114; successful commoners in, 114; convent in, 120–121; separation of viceroyalty of, 137; revolt in, 153–156; liberation movement and, 163; independence of, 168, 228; Bolívar in, 168–169; nitrates in, 215, 255; guano exports from, 229; politics in, 229–231; slavery and tribute abolished in, 229; leadership of, 229–230; economy in, 229–231, 401, 413, 418–420; Chilean mining and, 255; War of the Pacific and, 255–256; Tarapacá ceded to Chile by, 256; reformist military coup in, 281; military regime in, 281–282; poverty in, 300; neocolonial, 401–407; social revolution in, 401–407, 409–413, 415–420; indigenous peoples in, 402–403, 402 (illus.); reforms in, 404; land reform in, 411–413; social crisis in, 416; popular culture and resistance in, 416–418; split between sierra and coast, 418; APRA in power in, 418–420; U.S. investment in, 573; Clinton and, 588. *See also* Inca civilization; Upper Peru; specific leaders
- Peruvian Corporation, 401  
Peruvian National Women's Council, 405  
Peruvian Revolution, 401–407, 409–413, 415–420  
Peso (Argentina), 531  
Peso (Mexico), 337  
Petén region (Guatemala), 17–23  
Pétion, Alexandre, 160, 220  
Petrobrás (Brazil), 350  
Petroleos de Venezuela (Venezuelan state oil company), 489, 495  
Petropereu (oil company), 412  
Philip II (Spain), 48–49; Aguirre and, 74–75; Spanish motives under, 79; Catholic Church and, 100; Las Casas and, 102  
Philip III (Spain), 104  
Philip IV (Spain), 49  
Philip V (Spain), 136; reconstruction under, 136; colonial commerce and, 137–138  
Philippines: revolt of 1899–1902, 5; Spanish acquisition of, 61; Cuba and, 379  
Philip the Handsome (Burgundy), 47  
Pichincha, 166  
Piérola, Nicolás de, 230, 401  
Piety, 104  
Pike, Frederick, 404  
Pima people, 105  
“Pink Tide,” 591 (illus.)  
Pinochet, Augusto, 283, 310, 508; Chilean popular traditions and, 434; in Chile, 436; economy and, 508–510; demonstrations against, 511 (illus.)  
Pino Suárez, José María, 315, 317  
Pinotl (tribute collector, Mexico), 61, 62  
*Pinta* (ship), 55  
Pinto, Aníbal, 255  
Pioli, Ambrosina, 341  
Piracy, 92–93  
Pisac, 35  
Pizarro, Francisco, 54, 66–67, 72  
Pizarro, Gonzalo, 68, 71, 74  
Pizarro, Hernando, 67  
Place-value numeration, 20  
Plan Colombia, 308, 309, 479, 480, 590, 591  
Plan Cruzado (Brazil), 507  
Plan Inca (1974), 413  
Plan of Ayala (Mexico), 316  
Plan of Ayutla (Mexico), 201  
Plan of Guadalupe, 320, 323; Carranza's “Adiciones” to, 323; Carranza and, 324  
Plan of San Luis Potosí, 314, 315, 316  
Plantation society: in Canaries, 54; in Brazil, 124–126, 133–134; slave hunters, Jesuits, and, 125; in Peru, 229; in Cuba, 232–234, 383–384; in Guatemala, 440  
Plants, domesticated, 8  
Plateresque style, 43  
Platt Amendment, 380, 386, 566, 572  
Plebiscite, 256  
Pleistocene period, 8  
PLM. *See* Mexican Liberal Party (PLM)  
PNAC. *See* Project for the New American Century (PNAC)  
PNR. *See* National Revolutionary Party (PNR, Mexico)  
Pobladores (urban slum dwellers), 431  
Poder Popular Local (PPL, El Salvador), 463  
Poetry, of colonial era, 109  
Pogroms, 364  
Poinsett, Joel Roberts, 199  
Police: Mexican student protests and, 336; in Colombia, 470, 471; in Brazil, 503  
Política dos governadores (politics of the governors), 264  
Political consciousness, 297–304; women and, 297–301; race prejudice, 301–304  
Political institutions, of Spanish Empire, 95–100  
Political organization: of Spanish American empire, 95–100  
Political parties: in new states, 191; in Venezuela, 238; in Colombia, 241; in Chile, 422, 433; in El Salvador, 460, 463–464. *See also* specific countries and parties  
Political reforms, in Spanish America, 144–146  
Politics of acquisition, 191–192  
Polk, James, 562  
Pollution: from maquiladoras, 517; from NAFTA and GATT, 588  
Poma de Ayala, Felipe Guaman, 98  
Pombal, marquis de, 130; reform by, 126, 130; on marriage between Portuguese men and native women, 131  
Ponce de León, Juan, 69  
Popham, Home, 161  
Popular Action Front (FRAP, Chile), 429  
Popular culture: in Peru, 416–418; in Brazil, 501–505  
Popular Democratic Party (PPD, Puerto Rico), 570  
Popular Education Collectives (CEPs), 456  
Popular Forces, 460  
Popular front, in Chile, 427–429  
Popular music: in Mexico, 335–336; in Chile, 434  
Popular Revolutionary Army (EPR), 316  
Popular Socialist Party: in Cuba, 391  
Popular Unity (UP): in Chile, 432, 434, 435, 436  
Populations: of bands and tribes, 9; 1492, 11–12; Maya, 12, 18; increase in Classic period, 13; of Teotihuacán, 15, 15 (illus.); Aztec, 24; ruled by Aztecs, 24; of Brazil, 129; of Spanish America, 129, 150; in Colombian highlands, 137; of Buenos Aires, 252, 253; in Venezuela, 269, 489; in El Salvador, 459, 460  
Populism, 276–277, 282, 283; in Mexico, 330–333; of Vargas (Brazil), 351; in Argentina, 356; in Chile, 424–432; in Colombia, 470–473; in Venezuela, 489, 490; collapse of, 498, 511  
Populist reforms, 277  
Porfiriato (dictatorship), 247

- Porra (Cuban secret police), 386  
 Portal, Magda, 405, 406  
 Portales, Diego, 212  
 Portinari, Candido, 179 (illus.)  
 Ports, 91  
 Portugal: Brazil and, 6; independence from Castile, 38, 52; Castile and, 40; independence from Spain, 49; Henry the Navigator of, 52; exploration by, 52–53; African slave trade and, 53–54; Jews expelled from, 54; Madeira colonies of, 54; Atlantic exploration by, 54–55; Treaty of Tordesillas and, 56; conversos from, 106; Spanish annexation of, 106; threat from, 143; Continental System and, 161; French invasion of, 169; independence of Brazil and, 169–170; court in Brazil, 170; 1820 revolution in, 170  
 Portuguese America: colonial Brazil and, 122–134; indigenous peoples in, 124–126; Spanish America compared with, 129  
 Posada Carriles, Luis, 311  
 Positivism, 180, 190, 261  
 Posseiros (squatters), 506  
 Postclassic period, 13, 14; in Mesoamerica, 22–23; in Peru, 30  
 Post-World War II period, 573–574  
 Potato, 8, 10  
 Potosí: silver coins adulterated with copper in, 89n; slave labor in, 90 (illus.); city of, 117  
 Potosí silver mines, 88, 89, 143  
 Pottery: Nazca, 30  
 Poverty, 285; in Spain, 44–45; and illiteracy, 106; in Peru, 300; in Ecuador, 414–415; in Guatemala, 444–445, 446; of women in El Salvador, 466; in Venezuela, 468, 491, 492, 493; in Colombia, 474–476; in Brazil, 507, 510; NAFTA and, 587  
 Power (political): Aztec, 28; in Spain, 95–100  
 Prats, Carlos, 436  
 Preclassic period. *See* Formative period  
 Pre-Conquest cultures: demography of, 11–12; in Mexico, 12, 14–17, 16 (illus.). *See also* specific cultures  
 “Preguntas por Puerto Montt” (Chile), 432  
 Prehistoric hunters, 7–8  
 Prejudice. *See* Racism  
 Premarital sex, 119  
 Prensa, La (newspaper, Argentina), 372  
 Presidencias (subdivisions), 96  
 Presidio, 105  
 Presley, Elvis, 335  
 Prester John, 52–53  
 Prestes, Luís Carlos, 342, 347  
 Prestes column, 342  
 Price revolution, 57  
 Price support: for coffee, 264  
 Priest-kings, 10, 13  
 Priests, 10; in postclassic period, 14; at Teotihuacán, 15; Maya, 20; Aztec, 28; Inca, 35; in Brazil, 130–131. *See also* Clergy; specific orders  
 Prieto, Joaquín, 212  
 Principales, 113, 441  
 Prío Socorrás, Carlos, 388  
 PRI (Partido Revolucionario Institucional). *See* Partido Revolucionario Institucional (PRI)  
 Prisoners of war, as Aztec sacrifices, 24  
 Private investment: in Mexico, 337, 338; in Venezuela, 481  
 Private property: in Guatemala, 266; in Mexico, 327; ejido and (Mexico), 331  
 Privatization, 292; economic restructuring and, 284–285, 287; struggles against, 287; in Venezuela, 491, 492, 493; of Mexican enterprises, 517; and women in Mexican factories, 517; in Brazil, 525  
 PRM. *See* Party of the Mexican Revolution (PRM)  
 Production: on Mexican estates, 139; in Río de la Plata area, 139; in Venezuela, 488  
 Production cooperatives, 453  
 Project for the New American Century (PNAC), 589  
 Projectile points, 7  
 Proletarians, 457  
 Proletariat, 369. *See also* Working class  
 Property: women and, 119–120; as voting requirement, 195, 213, 469; in Colombia, 470  
 Property rights: Mexican Constitution (1917) and, 324  
 Prosperity: for creoles, 159; in Buenos Aires, 208  
 Prostitutes, 366  
 Protection, of Castilian industry, 42  
 Protective legislation, 100  
 Protective tariffs, 270, 271  
 Protest, 280–281; by indigenous peoples, 152–153; movements, 276; in Mexico, 313; in Peru, 403; in Ecuador, 414; in El Salvador, 460; in Venezuela, 482; in Brazil, 501–505; Brazilian music as, 502, 503; in Argentina, 531. *See also* Resistance; Revolts and rebellions  
 Protestant evangelicalism/fundamentalism, 308  
 Protest music, 394–395  
 Protomedicato (chief physician), 110  
 Provincial administration, 98–99  
 Provincial autonomy, 200  
 Provincianos: in Peru, 407, 416–418  
 Public domain, 245  
 Public hearings, for royal officials, 98–99  
 Public schools. *See* Education; Schools  
 Public sector, 453  
 Public works, 258–259  
 Puebla, Carlos, 394  
 Pueblo people, 105  
 Pueblos juvenes (squatter communities), 417  
 Puerto Rico, 61, 69; chiefdoms in, 10; U.S. rule of, 569–570; dependence on U.S. economy, 570; economy of, 570; in New Deal, 570  
 Pulitzer, Joseph, 379  
 Pulque, 87  
 Puma de Ayala, Waman, 112  
 Puna (plateau), 29  
 Punishment, Aztec, 27  
 Puros (Mexico), 199, 200, 201  
 Pyramids of Sun and Moon, 15, 15 (illus.)  
 Quadros, Jânio da Silva, 353  
 Quechua language, 31, 35  
 Queiroz anti-slave-trade law, 225  
 Queremistas, 349  
 Querétaro: Mexican independence and, 171; constitutional convention in, 324  
 Quesada, Gonzalo Jiménez de, 71  
*Quetzalcoatl and Guadalupe: The Formation of Mexican National Consciousness* (Lafaye), 149  
 Quetzalcóatl (god), 15, 22; myth of, 22, 29, 149; Europeans as, 61, 62–64, 62n  
 Quevedo, Francisco, 50  
 Quinoa (grain), 10  
 Quiñónez family, 457  
 Quinto tax, 88, 89, 270  
 Quipu (Inca memory aid), 31  
 Quirino, Juan José, 294  
 Quiroga, Vasco de, 101  
 Quiteira de Jesus, María, 175  
 Quito: indigenous peoples in, 152; Bolívar and, 166  
 Quito Insurrection, 153  
 Quivira, 70  
 Race: castas and, 5; mixtures of, 110; under Spanish law, 110, 111; colonial categories of, 150; notion of inferiority of, 246; prejudice, 301–304; in Venezuela, 481–482, 494. *See also* Mestizos (mixed race people); Racism  
 Race war, in Venezuela, 238, 239

- Racial conflict, 183
- Racism: European, 58; American, 200; in Cuba, 233–235, 382–383, 384, 398, 555, 556; in Colombia, 470; in U.S. Native American policy, 564; in Panama, 586
- Radicalism: in Brazil, 221; in Mexico, 324, 326; in Bolivia, 408, 409
- Radical Party (Argentina), 254, 357; rise of, 361; Yrigoyen and, 363–364, 365; Alvear and, 364–365; loss by, 365
- Radical Party (Chile), 422
- Radio, in Argentina, 366
- Railroads, 181; in Argentina, 211, 358; in Chile, 214; in Cuba, 232, 392; land and construction of, 245–246; La-Paz/Arica, 256; in Venezuela, 269
- Rain forests, 57, 290
- Ramírez, Ignacio, 201
- Ramírez, Pedro P., 368
- Ramírez, Susan, 86
- Ramírez Mercado, Sergio, 455
- Rancheros, 86
- Ranching, 85–88
- Rank, in chiefdoms, 9–10
- Rap artists, 556
- Rationalism, of Encyclopedists, 136
- Rauff, Walter, 508
- Rawson, Arturo, 368
- Rawson de Dellepiane, Elvira, 364
- Reaction, 351–355
- Reactionaries, 200
- Reagan, Ronald: interest rates under, 283; Nicaragua and, 452, 454, 455, 584–585; El Salvador and, 463, 464; Iran-contra scandal and, 520; U.S. Latin American policy and, 575; Grenada invasion by, 582; Central America and, 584–585
- Real (Brazilian currency), 526
- Real del Monte mines: worker struggle at, 143, 143n
- Real Plan: in Brazil, 526
- Rebellions. *See* Revolts and rebellions
- Rebouças, André, 227
- Recabarren, Luis Emilio, 260, 423
- Recessions: in Brazil, 283–284; in 1973–1974, 501
- Recife, 126
- Reciprocal trade agreements. *See* Trade
- Reconquest (Spain), 38, 43
- Rectificación and “special period” in Cuba, 399, 552–553, 556
- “Red battalions,” 323
- Redeemer (Quetzalcóatl legend), 22
- Redistributive policies, 283
- Red Scare, 576
- Reductions, indigenous towns as, 114
- Reed, John, 319
- Reforma, La (Mexico), 201–204, 245, 248
- Reform Club (Brazil), 225
- Reforms: in Spain, 42–43; by clergy, 101–102; of marquis de Pombal, 126, 130; Bourbon, 135–137; Spanish colonial, 137–138; political, 143–146; after Inca revolt, 156; in Argentina, 167, 206; adopted by Spanish Cortes (1820), 175; in post-independence Mexico, 199; in Mexico, 204, 325–328, 330, 331–332, 333–334; in Uruguay, 205; in Peru, 228, 229, 404; in Gran Colombia, 235; electoral (Argentina), 255; in Chile, 258, 430; in Brazil, 262, 351–355; in Guatemala, 266, 576, 577; in Colombia, 271, 469, 470, 472, 475; for underdevelopment and poverty, 286–287; of Villa, 319; of Carranza, 323; erosion of Mexican, 333–334; in Cuba, 380, 382, 386, 387–389, 391, 392–394, 396, 397–399, 553; of Batista, 387; in Ecuador, 414; in Nicaragua, 453; in El Salvador, 457, 459, 461–463, 464, 466; in Venezuela, 492, 493 (illus.), 494; Alliance for Progress and, 578. *See also* Agrarian reform; Land reform
- Refugees, 101
- Regency, in Brazil, 222–224
- “Regeneration,” 271
- Regidores (councilmen), 39, 42, 99
- Regional specialization, 138
- Regular clergy, 103–104
- Regulation: of Indian labor, 68; of provincial officials, 98–99; in Mexico, 517
- Reich, Otto, 495
- Reina, Leticia, 200
- Reinóis, 170
- Rejón, Manuel, 200, 201
- Relaciones (reports), 96
- Religion: rise of, 10; rise of state and, 11; of Maya, 19–21; in Tula, 22; of Inca, 35; in Spain, 36, 36 (illus.), 42–43, 45–46; Spanish Reconquest and, 38; conquistadors and, 73; in Spanish colonies, 100–110; in Argentina, 208; in Chile, 213; in Cuba, 235; in Colombia, 270; candomble in Brazil, 343
- Religious orders, 120. *See also* Clergy; Missionaries; Missions; specific orders
- Religious toleration: in Colombia, 241
- Rent control, 355
- Repatriamiento de mercancías*, 140
- Repatriamiento* (labor system), 81–82; de mercancías, 146, 153; of draft labor, 245
- Representative democracy. *See* Democracy
- Repression. *See* specific countries
- República de españoles, 82
- República de indios, 82
- Republican Party (Brazil), 261, 262
- Republics. *See* specific countries
- Requirement (Requerimiento), 69n, 77
- Reservations: for Araucanians, 258; for indigenous Guatemalans, 444
- Resguardos (native communal lands): in Colombia, 241
- Resistance, 294; by Brazilian indigenous peoples, 125; to enslavement, 160; in Peru, 402–403, 416–418; in Guatemala, 447; to Somoza dictatorship, 449–452; in Venezuela, 486. *See also* Protest; Revolts and rebellions
- Resources: foreign control of, 246; in Mexico, 250
- “Restored Republic” (Mexico), 204
- Restrepo, Camilo Torres, 305
- Restrepo Gaviria, Isabel, 474
- Revolts and rebellions, 117 (illus.), 273–274; Filipino, 5; against Maya, 18; of Comuneros, 47; Catalonia, 49; by Tainos, 60; by Gonzalo Pizarro (Peru), 68, 74; by black slaves, 116; in Brazil, 125, 169, 221, 222, 223, 263, 342; by oppressed peoples, 152–153; in Peru, 153–156; 1780–1781, 154; by Tupac Amaru II, 154–155, 155 (illus.); in New Granada, 156–157; Creole, 166; in Mexico, 170–176, 200, 334–338; in Spain, 174; Plan of Ayutla and, 201; in Hidalgo, 204; in Chile, 214, 215, 260; in Cuba, 233–234, 381, 382 (illus.), 384; in Venezuela, 238–239, 268–269; in Colombia, 239; by Zapatista Army of National Liberation, 287; counterrevolutionary (Mexico), 316–317; against Perón, 374; in Nicaragua, 450–451; in El Salvador, 457–459. *See also* Revolutions
- Revolução Farroupilha (Brazil), 222
- Revolutionaries, 389
- Revolutionary Armed Forces of Colombia (FARC), 473, 474 (illus.), 477, 480, 590, 591
- Revolutionary Indigenous Armed Forces (FARIP, Colombia), 477
- “Revolution on the March” (Colombia 1934–1946), 470, 480

- Revolutions, 192; American, 159; in Haiti, 160; Spanish decline and, 161; American vs. Latin American, 162–163; in Portugal, 170; in Mexico, 203, 251–252, 277, 313–325; in Venezuela, 238, 495; in Gran Colombia, 238–239; in Colombia, 239, 270, 271, 470–473; in Brazil, 261–262, 345–351; in Cuba, 376–381, 386–387, 389–390, 575, 578–579; Bolivian social, 407–410; Ecuadorian social, 414; Chile and, 432; in Central America, 438–439; in Guatemala, 438–443; in El Salvador, 439, 463–466; in Nicaragua, 439, 458; in Bolivia, 576. *See also* Social revolutions; specific revolutions
- Reyes, Bernardo, 314  
Reyes, Rafael, 469  
Riaño, Juan Antonio, 159  
Ribeiro, Nelson, 507  
Rights: of indigenous peoples, 196; of Mexican-Americans, 201; in Venezuela, 486, 492; in Brazil, 506. *See also* specific rights  
Right wing: in Brazil, 354; in Chile, 434  
Riley, James D., 142  
Rio Blanco textile strike (Mexico 1909), 251  
Rio Branco Law, 226, 227  
Rio de Janeiro, 263; French founding of, 126; Brazil and, 224  
Río de la Plata (Argentina), 88; trade in, 138, 139; vicerealty of, 143; independence of, 205; unity in, 205, 208. *See also* Argentina; Paraguay; Upper Peru; Uruguay  
Rio Grande rebellion (Brazil), 222  
Ríos Montt, Efraín, 443  
Rio Treaty (1947), 576  
Riots: in Mexico, 152; in Argentina, 374; in Venezuela, 483, 490, 492, 495  
Rivadavia, Bernardino, 206–207  
Rivera, Diego, 3 (illus.), 64 (illus.), 275 (illus.), 327  
Rivera, Julio Alberto, 459  
Rivera y Damas, Arturo, 464  
Roads: of Inca, 31; in Cuba, 392  
Robbers, 197  
Robelo, Alfonso, 451, 452  
Roca, Julio, 252–253  
Roca-Runciman Treaty (1933), 367  
Rock, David, 255  
Rockefeller, David, 507  
Rock music: in Mexico, 335, 336, 336 (illus.); in Chile, 434  
Rocroi, battle at, 49  
Roderic (Goths), 37  
Rodríguez, Carlos Rafael, 395  
Rodríguez, Mariano Ospina, 188  
Rodríguez, Silvio, 395  
Rodríguez Freile, Juan, 109  
Rodríguez Lara, Guillermo, 413  
Rodríguez Saa, Alejandro, 531  
Roett, Riordan, 519  
Rojas, Fernando de, 43  
Rojas Pinilla, Gustavo, 472  
Roldán (Spanish rebel leader), 56  
Roldós, Jaime, 414  
Román, Jaime Wheelock, 452  
Roman Catholic church. *See* Catholic Church; Missionaries  
Roman law, 36  
Romanticism, 180  
Rome conquest (by Spain), 36  
Romero, Arnulfo, 306  
Romero, Carlos, 460, 461  
Romero, Oscar (Archbishop), 310, 460, 461, 463  
Roosevelt, Franklin D: Cuba and, 386; Somoza and, 450; good neighbor policy of, 572  
Roosevelt, Theodore: Cuba and, 379; Panamanian independence and, 469; Latin America and, 561; Panama Canal and, 567  
Roosevelt Corollary: to Monroe Doctrine, 566; Clark memorandum and, 572  
Root, Elihu, 380  
Rosas, Juan Manuel, 183, 206 (illus.), 207  
Rosas, Mateo de Oquendo, 108–109  
Rosenblat, Angel, 11  
Rose of Lima (Saint), 120 (illus.)  
Ross, Gustavo, 426  
Rosset, Peter, 554  
Royal agents, 96–98, 99  
*Royal Commentaries of the Incas* (de la Vega), 107, 154  
Royalist revolt against Ferdinand VII and, 165–166  
Royal patronage: of church, 101  
Rua, Fernando de la, 531  
Rubio, Manuel Romero, 249  
Ruiz, Eduardo, 182  
Ruiz, Samuel, 307  
Ruiz Cortines, Adolfo, 333, 337  
Ruling class, 280; domination of native peoples by, 102; in colonies, 110–111; in Brazil, 224. *See also* Class; Elites  
Ruling class (colonial era), 110–111  
Rumba (dance), 385  
Rumi Maqui movement, 402 (illus.), 403  
Rural Democratic Union (UDR, Brazil), 507  
Rurales (mounted police), 247  
Rural Guard (Cuba), 380  
Rusk, Dean, 355  
Ryswick, Treaty of, 93  
  
Saavedra, Cornelio, 167  
Sacasa, Juan B., 448, 449  
Sacrifice: Maya, 18; Toltecs and, 18, 22; Aztec, 20; human, 20, 24, 25, 35  
Sacsahuaman, 35  
Saenz, Manuela, 175, 175 (illus.)  
Sáenz Peña Law (1912, Argentine), 255, 357  
Sahagún, Bernardino de, 62n, 107  
Saint Domingue: English in, 93; French in, 93  
Saints. *See* specific saints  
Saladrigas, Carlos, 388  
Salamanca, University of, 43  
Salazar-Xirinaches, José Manuel, 286  
Salinas, Carlos, 292  
Salinas de Gortari, Carlos, 516, 519  
Salvadoran Peasants' Union, 462  
Salvadoran Revolution, 463–466  
Salvadoran Women's Association (AMES), 466  
Salvarrieta, Policarpa, 175  
Salzinger, Leslie, 517  
Samba (Brazilian dance), 341  
Samba (Cavalcanti), 343 (illus.)  
Sánchez, Celia, 383 (illus.), 389  
Sánchez Cerro, Luis, 406  
Sanchez Gallque, Andres, 117 (illus.)  
Sanders, William T., 12  
Sandinista Front for National Liberation (FSLN), 306, 438, 450, 451–452; Sacasa and, 450, 451; women in, 456; Ortega and, 590  
Sandinistas, 584; Chamorro and, 450–451; CIA efforts to overthrow, 452; Nicaraguan government of, 452–455; resistance to U.S.-backed invasion of, 454; elections and, 455; self-determination for peoples of Atlantic Coast and, 455–456; victory by, 581; U.S. funding of overthrow, 585  
Sandino, Augusto César, 448, 449, 449 (illus.), 458  
Sandoval, Alonso de, 115  
San Martín, José de, 166–169, 212; Bolívar and, 168; reforms and, 228  
San Salvador, 55  
Santa Anna, Antonio López de: conservatives and, 200; as dictator, 200  
Santa Cruz, Andrés, 183, 195  
Santa Fé de Bogotá. *See* Bogotá  
Santa Fe (Entre Ríos): constitutional convention in (1852), 208

- Santa Fe Ring, 201  
*Santa Hermandad* (police force), 41  
 Santamaría, Haydée, 383 (illus.), 389, 390, 395  
*Santa María* (ship), 55  
 Santa Marta, Colombia, 71  
 Santander, Francisco de Paula, 166, 190, 235, 239  
 Santería, 235  
 Santiago, Chile, 71  
 Santiago de Compostela, 38  
 Santo Domingo. *See* Dominican Republic  
 Santo Domingo Improvement Company, 568  
 Santos, Eduardo, 471  
 Santos, Ernesto dos (Dongo), 341  
 Santos, Juan, 154  
 Santos Zelaya, José, 447  
 Santo Tomás, Domingo de, 102  
 São, Mem de, 126  
 São Paulo, 127, 264  
 São Vicente, 122  
 Sapper, Karl, 11  
 Sarmiento, Domingo Faustino, 183, 211  
 Sarney, José, 506, 507  
 Satire, in colonial literature, 108–109  
 Savages, Indians portrayed as, 60  
 Scheper-Hughes, Nancy, 527  
 Schmidt, Helmut, 283  
 Schneider, René, 312, 432  
 Scholasticism, 76  
 School of mines, 140  
 School of the Americas (SOA), 310;  
   Haitian military trained at, 584  
 Schools: Aztec, 26–27; for indigenous youth, 103; in Mexico, 204, 327; in Argentina, 209, 211; in Paraguay, 209. *See also* Education; Universities; specific universities  
 Schwartz, Stuart, 132  
 Science, 147–148  
 Science, in colonial era, 108  
 Scobie, James, 186  
 Scott, James, 510  
 Scottish Rite lodge, 199  
 Sculpture (Inca), 35  
 Secondary schools: of Society of Jesus, 104  
 Second Institutional Act (Brazil), 500  
*Second Letter* (Vespucci), 58  
 Second Vatican Council, 305, 460  
 Second World War. *See* World War II  
 Secret ballot, 346  
 Secret police: in Cuba, 386; in Venezuela, 487  
 Secular clergy, 103–104  
 Secular reformism, 241  
 Security force, in Colombia, 471  
 Sedentary lifestyle, 8  
 Seed, Patricia, 119  
 Seigneurial class, 5  
 Self-coup, 287, 588  
 Self-determination for Nicaraguans of Atlantic Coast, 455–456  
 Self-employment, in Cuba, 555  
 Self-rule, town council and, 99  
 Self-sufficiency, colonial, 89  
 Semana Trágica (Tragic Week), 364  
 Semifeudal land tenure system, 139  
 Semisedentary groups, 9  
 Senado da câmara (municipal council), 129  
 Sendero Luminoso. *See* Shining Path (Peru)  
 Seneca, 36  
 Señor natural (natural/legitimate lord), 112  
 Sênz Royo, Artemisa, 323  
 September 11, 2001, terrorist attacks: Cuban tourism and, 555; U.S. interventionism and, 575; Nicaragua and, 590  
 September uprisings (Nicaragua), 451  
 Serfs, 176, 181; in Spain, 37; indigent peoples as, 81; in Peru, 228, 409, 411  
 Serrano, María, 466  
 Serrano Elías, José, 444, 445, 446  
 Sertanejos, 227, 262–263  
 Servants: of Incas, 33; yanaconas as, 34, 142, 152, 156  
 Service (informal) sector, 296–297  
 Servitude: in colonial labor systems, 83; in labor system, 142  
 Settlements: ancient, 7–8; cultivation techniques and, 8–9; Maya, 18–19; missions and, 105; in Brazil, 122, 126–127, 133  
 Seven Cities of Cibola, 70  
*Seven Interpretive Essays on Peruvian Reality* (Mariátegui), 405  
 Seven Years' War, 138, 146  
 Seville, Spain, 41; Reconquest of, 38; merchant oligarchy in, 91; merchant monopoly of, 92  
 Seward, William H., 204, 563  
 Sex and sexuality: marriage, women, and, 118–121; double standard, 188  
 Sex industry (Argentina), 366  
 Sharecroppers: in Brazil, 133; in Peru, 228, 229–230; in Nicaragua, 267  
 Sheep, 39, 87  
 Sheffield, James R., 329  
 Shining Path (Peru), 418, 419  
 Ships and shipping: Spanish, 161; in Argentina, 358  
 Shock therapy, 529–530  
 Sigüenza y Góngora, Carlos, 108  
 Silk industry, 85, 87, 91  
 Silva, Luís Inácio da (Lula), 508, 525  
 Silva Xavier, José da, 134  
 Silver, 83; in Potosí, 88; sales tax on, 89; trade of, 91; from Mexico, 140  
 Silverblatt, Irene, 33, 112  
 Silver mining, 88–90; labor for, 81, 142–143; in Spanish colonies, 140  
 Simpson, Lesley B., 11  
 Single-mother households, 530  
 Siqueiros, David, 213  
 Six-Year Plan (Mexico), 330, 333  
 Skin color, in Brazil, 131–133  
 Slash-and-burn cultivation, 9, 10; of Maya, 17, 18; of Aztecs, 27  
 Slaves and slavery: Aztec, 28; Portuguese, 54; Columbus on, 60; Arawaks as, 77; indigenous, 77; encomienda and, 77–79; prohibition against, 79; black, 81, 82–83, 115–116, 184; in making of Latin America, 84 (illus.); in Americas, 116; in Brazil, 124, 125, 131–134, 132 (illus.), 169, 225–228, 260–261; struggles for independence, 164; abolished in Venezuela, 165, 239; in 19th century, 185; in Paraguay, 209; colonial legacy of, 219; coffee plantations and, 226 (illus.); in Peru, 229; in Western Hemisphere, 229; in Cuba, 231, 232, 232 (illus.), 233; in Venezuela, 237–238; in Colombia, 240–241; in late 1800s, 245; in Mexico, 250. *See also* Slave trade  
 Slave trade, 57, 126; Portugal and, 53–54; Tainos sold in, 60; Spain and, 69, 232; Brazil and, 221; Cuba and, 231, 232  
 Slidell, James, 562  
 Slums, 117, 407; in Brazil, 341; in Venezuela, 494  
 Smallpox, 12, 69  
 Smith, Adam, 57  
 Smuggling: Dutch, 128; in Caribbean, 137; reducing, 137  
 Smyth, Frank, 478  
 SOA. *See* School of the Americas (SOA)  
 Soccer, 369  
 Soccer War, 459  
 Social Darwinism, 246  
 Social Defense Law (1910, Argentina), 363  
 Social democrats, 265  
 Socialism: in Chile, 260, 282, 432–437; in Brazil, 265; in Cuba, 392, 398; in Peru, 405–406; Sandinistas and, 453

- Socialist Feminist Center (Argentina), 365
- Socialist Party: in Argentina, 255; in Chile, 260, 423, 429
- Socialist Republic of Chile, 426
- Socialist revolution (Peru), 405
- Socialist Women's Center (Argentina), 362
- Socialist Women (Venezuela), 486
- Socialization, 394
- Social justice, 296
- Social mobility, 150–151
- Social order, in colonial era, 110–121; ruling class, 110–111; mestizo status, 111–112; indigenous peoples, 112; blacks, mulattos, and zambos, 115–116; major centers of social life, 116–118; marriage, sexuality, and status of women, 118–121
- Social reform: Morelos and, 173; in Brazil, 526
- Social revolutions: in Peru, 401–407, 409–413, 415–420; in Bolivia, 407–410; in Ecuador, 414; in Central America, 438–439; in Venezuela, 495. *See also* Revolutions
- Social stratification, 6, 9, 10, 13. *See also* specific groups
- Social welfare, 495
- Society: archaeological evidence of, 7–8, 11n; egalitarian, 9; before Spanish conquest, 9; levels of organization of, 9–11; at time of Conquest, 11–12; in stages of history, 13–14; of Peru, 29; of Inca, 29–35; Roman impact on Spain, 36; class and caste in, 110–121; Aztec, 112–115; in indigenous towns, 115; haciendas and, 118; in Brazil, 131–133; Brazilian estate (fazenda) and, 133–134; in Spanish colonies, 150–152; hierarchical structure of, 196; in Cuba, 231–234; in Colombia, 239, 470; in Argentina, 359–361; in Chile, 436–437. *See also* Aztecs; Class; Creoles (American-born Spaniards); Inca civilization; Maya civilization; Organization; Stratified society; Women; specific classes; specific groups
- Society of Equality (Chile), 214
- Society of Jesus. *See* Jesuits
- Soil: cultivation methods and, 8–9; population crisis and, 12; erosion, 57
- Soldaderas, 316 (illus.)
- Solóranzo Pereira, Juan, 111
- Somocistas, 454
- Somoza family (Nicaragua), 438–439; Anastasio, 279, 449–452, 581; after Nicaraguan earthquake, 450; Anastasio, Jr., 450; Luis Somoza Debayle and, 450; United States and, 579
- Son (Cuban musical genre), 385
- Song of Quetzalcóatl, 22
- Sor Juana, Inés de la Cruz, 108, 109 (illus.), 120
- Soto, Shirlene, 323, 325
- Sousa, Affonso de, 122
- Sousa, Tomé de, 128–129
- Sousa Pereira, Washington Luís de, 344
- South America: Andean civilizations in, 12–14; Vespucci and, 61; Spanish frustrations in, 71; liberation of, 162–170; Bolívar, Simón, and, 163–166, 163 (illus.); modern, 360 (illus.); U.S. expansion in, 561. *See also* Central America; Latin America; specific countries
- Southern liberation movement, 166–169
- South Sea Company (England), 137
- Soviet Union: Cuba and, 281, 391, 552; Brazil and, 353; arms sales to Cuba by, 392; cold war and, 575
- Spain: conquistadors from, 4; climate of violence and, 4–5; decline of, 6; Germanic invasions of, 36; origins of term, 36; writers of Latin literature from, 36; conquest as historical theme of, 36–37; multicultural background of, 36–37, 37 (illus.); Jews and, 37, 37 (illus.), 45–46; Muslims in, 37–38; kingdoms in, 37–41; medieval period in, 37–41; Castile and, 38–39; nobility in, 40, 41; unification of, 41; under Ferdinand and Isabella, 41–46; foreign policy of, 43; in time of Columbus, 44, 44 (illus.); religions in, 45–46; Inquisition in, 46, 46 (illus.); Charles V in, 47–48; Hapsburgs in, 47–51; Philip II in, 48–49; economic decline in, 49–50; decadence in, 50; Columbus' voyages and, 55–56; Treaty of Tordesillas and, 56; Mexico conquered by, 61–66; expansion of conquest beyond Mexico, 65–66; Peru conquered by, 66–68; North America and, 69; characteristics of conquistadors and, 71–73; emigration of women from, 73; legality of claim to Indies, 77; misfortunes of, 92–93; Portugal annexed by, 106; possessions of, 135; silver mining and, 140; loyalty to, 158; colonial conflicts with, 158–161; colonial revolutions and, 161–162; liberal revolt in, 174; Mexican liberals and, 203; slave trade ended in, 231; uses of Cuba by, 231; Cuban independence from, 378. *See also* Ferdinand and Isabella (Spain); specific regions
- Spalding, Karen, 115
- Spaniards: as headmen in Gauraní society, 80; vs. creoles, 111
- Spanish America: tribute and labor in, 77–83; economy of, 83; Spanish agriculture in, 86–88; England and markets of, 92–93; political institutions of, 95–100; ineffectiveness of law in, 100; church in, 100–110; Inquisition in, 106; Portuguese America compared with, 129; centralization of, 137; Spanish government in, 137; commerce in, 137–138; economic activity in, 138–142; silver mining in, 140; manufacturing in, 140–142; labor struggles in, 142–143; territorial reorganization of, 143–146; society in transition in, 150–152; revolts by oppressed peoples in, 152–157. *See also* Colonies and colonization; Indies
- Spanish Character: Attitudes and Mentalities from the Sixteenth to the Nineteenth Century* (Bennassar), 4
- Spanish-Cuban-American War, 376–381, 566, 569
- Spanish Netherlands, 135
- Specialization, 10
- Speculation, land, 249
- Spencer, Herbert, 246
- Spice Islands, 69
- Spices and spice trade: Portugal and, 53–54; Spanish search for, 71
- Spinden, H. J., 11
- Stagnation (economic), 194–195; in Argentina, 373; in Chile, 429
- Standard of living: declines in, 288; in Cuba, 397–398, 552; of Peruvian peasants, 411; in Venezuela, 489; in Brazil, 505. *See also* Lifestyle
- Standard Oil of California, 372
- Standard Oil of New Jersey, 404
- State Development Agency (CORFO, Chile), 427
- State enterprises, 279
- State farms (Cuba), 391–392
- States: as social/political level of organization, 9, 10; compared with chiefdom, 10; in Brazil, 130–131
- Status: of mestizos and mulattos, 150–151; of 18th-century immigrants, 151–152
- Steel industry: in Mexico, 333; in Venezuela, 492

- Stelae, 19, 20  
 Stern, Steve, 112, 114, 152  
 Stiglitz, Joseph, 288  
 Stimson, Henry L., 448, 572  
 Stoner, Lynn, 384  
 Stratified society, 6  
 Strikes: in Spanish America, 142–143; in Mexico, 251 (illus.), 334; Rio Blanco textile workers (Mexico 1909), 251 (illus.); in Chile, 259, 260, 436; in Brazil, 265, 340, 346, 524; oil companies, unions, and, 332; in Argentina, 363–364; student, in Argentina, 364; in Cuba, 386; in Peru, 403, 413; in Guatemala, 440; in Nicaragua, 451, 452; in Colombia, 470; in Venezuela, 487, 496  
 Stroessner, Alfredo, 579  
 Strongman, 191. *See also* Caudillo (strongman)  
 Structural adjustment: foreign debt and, 284–285; in El Salvador, 465; in Nicaragua, 465  
 Student Directory, 386  
 Student protests: in Mexico, 335, 336, 336 (illus.); in Cuba, 384; in Peru, 403, 416–418  
 Style, Sophia, 304  
 Suárez, Francisco Hernández, 296  
 Subdelegados, 146, 156  
 Subsistence societies: before Spanish conquest, 9; of Chibcha and Muisca chiefdoms (Colombia), 10; of Maya, 19  
 Suburbs, Mayan, 18  
 Sucre, Antonio José de, 166, 205  
 Sugar industry, 87; in Madeira, 54; black slave labor for, 83; Cortés, Hernando, and, 85; in Brazil, 124, 225, 506; Dutch and, 126; Brazilian slavery and, 133–134; in Cuba, 138, 231–234, 383–384, 387, 388, 389, 564; in Peru, 229–230, 401, 411; Ten Years' War in Cuba and, 234–235; U.S. investment in, 571  
 Sugar mills, 232  
 "Sugar Trust," 235  
 Sumos people, 456  
*Sun, Moon, and Witches* (Silverblatt), 33  
 Sweatshops, 423, 424  
 Swidden system. *See* Slash-and-burn cultivation  
 Syllabic writing, of Maya, 20  
 Syndicalism, 265  
 Tabasco, 63  
 Tacubaya uprising (Mexico), 315  
 Taft, William Howard: Mexican Revolution and, 314; Cuban intervention and, 381; Nicaragua and, 569; Puerto Rico and, 570; Mexico and, 571  
 Taino people, 12, 56, 60  
 Tango (Argentina), 359, 366; on radio, 366; Perón and, 370  
 Tannenbaum, Frank, 219  
 Tarapacá, Peru, 230  
 Tarascans, 24  
 Tariffs: in Mexico, 200, 328; in Argentina, 207, 364, 367, 530; in Colombia, 270, 271; in Brazil, 341, 345; NAFTA and, 518  
 Tarrazas-Creel clan (Mexico), 315, 317  
 Tawantinsuyu (empire of Incas), 403  
 Taxation, 154; in Spain, 44, 45, 48; under Charles V, 48; of silver, 89; of trade, 92; in Brazil, 129–130; in Central America, 217; in Guatemala, 217; on individuals in Colombia, 270; in Peru, 414–415; in Chile, 430; in Colombia, 471  
 Taylor, William, 121  
 Technology: in Classic period, 13; in Postclassic period, 14; in Argentina, 211  
 Tecuixpo, 73  
 Tehuantepec, 24  
 Telephone workers' union (Mexico), 296  
 Teller Amendment, 566  
 Téllez, Dora María, 456  
*Tempest in the Andes* (Valcarcel), 405  
 Temple, of Maya, 21  
 Temple of the Sun (Inca), 35  
 Tenant farming, 246; among Aztecs, 24; in Brazil, 133, 262, 506; in Mexico, 196–197; in Chile, 215; in Peru, 230; in Argentina, 358  
 Tenantry, 181, 184  
 Tenochtitlán, 23, 25; population of, 26; Cortés and, 27, 64–65; white men in, 61; smallpox in, 69  
 Ten Years' War (Cuba), 234–235  
 Teotihuacán: in Classic period, 13, 14, 15; temples and pyramids at, 14–15, 15 (illus.), 21; civilization of, 14–17, 21  
 Tepoztlán, 114  
 Terraced farming, 10, 32  
 Terrazas, Francisco de, 111, 111n  
 Terrazas-Creel clan, 317  
 Terreros, Romero de, 143  
 Terrorism: by Shining Path, 418, 419; in El Salvador, 460, 461; in Brazil, 503; Operation Condor as, 580. *See also* September 11, 2001, terrorist attacks  
 Teruggi, Frank, 538  
 Texas: Mexican cession to U.S., 200; U.S. expansion and, 562  
 Texcocan civilization, 23, 107  
 Textile industry, 140; strike in Mexico, 251 (illus.); in Brazil, 265  
 Tezcatlipoca (god), 22  
 Theater, in Brazil, 500  
 Theocracy, 28  
 Theology of liberation, 305, 307  
 Theory of liberation. *See* Liberation Theology  
 Third Institutional Act (Brazil), 500  
 Third World: Brazil and, 353; communism and, 575; pollution in, 588  
 Thomas, Saint, 150  
 Thomas Aquinas, 306  
 Thornburg, Richard, 570  
 Three Years' War (Mexico), 203  
 Tiahuanaco, 14, 30  
 "Tiempos difíciles," 512  
 Tierra del Fuego, 8  
 Tierras baldías (vacant public lands), 414  
 Tierra y libertad, 325  
 Tijerino, Doris, 456  
 Tikal, 17, 18  
 Time of Troubles, 14, 22–23  
 Tithing: in Brazil, 130; in Chile, 215; in Venezuela, 269; in Colombia, 270  
 Tlacopan, 23  
 Tlaloc (Aztec god), 15  
 Tlatelolco Square (Mexico) massacre, 280, 336, 336 (illus.)  
 Tlaxcala, 24, 65  
 Tlaxcalan people, 64, 69  
 Tobacco: Columbus and, 55; Dutch and, 126; labor for, 142; in Colombia, 270  
 Todorov, Tzvetan, 60  
 Toledo, Francisco de, 68, 81, 96, 115  
 Toledo, Spain, 39, 41  
 Toltec empire, 18, 22–23, 28  
 Tomic, Radomiro, 432  
 Tontons Macoutes (Haiti), 582  
 Tools, agricultural, 32  
 Topa Inca, 31  
 Topiltzin-Quetzalcóatl, 22  
 Tordesillas, Treaty of, 56, 122  
 Torres, Camilo, 474  
 Torres, Elena, 327, 328  
 Torricelli Act, 552  
 Torrijos, Omar, 581, 586  
 Toscanelli, Paolo, 55  
 Totonac people, 64  
 Tourism, in Cuba, 555  
 Town councils, 98, 99  
 Towns: indigenous, 115; Brazilian colonial, 133–134. *See also* Cities  
 Trade: in Teotihuacán, 17; Aztec, 24, 27; exploration and, 52; Portuguese, 52–53; Aztec-Spanish, 62; in making of

- Trade (*cont.*)  
 Latin America, 84 (illus.); cacao, 89; time required for, 91; trans-Atlantic, 91; dangers of voyages, 91–92; protection of, 91–92; piracy and, 92–93; in Brazil, 122, 221, 264, 344; in Spanish colonies, 137–138; Spanish free trade policy, 138; class and, 151; peninsular Spaniard control of, 158–161; merchant houses in, 194; in Mexico, 197; in Paraguay, 205; in Argentina, 206, 208, 357, 367; in Chile, 214, 422; in Colombia, 271; in Cuba, 380, 381, 387, 388, 392, 552–553; Nicaraguan, 454–455; good neighbor policy and, 572–573; by United States in Latin America, 573–574; NAFTA as impediment to, 587
- Trade agreements: U.S.-Latin American, 563; with Brazil, 564
- Trade monopolies, 193
- Trade unions, 292, 296; in Chile, 260, 431; in Brazil, 265; in Mexico, 332, 333; in Cuba, 387, 395; in Peru, 416; in Guatemala, 441, 442; in El Salvador, 464, 466; in Venezuela, 482, 483, 485. *See also* Labor; Labor unions
- Trading companies, 137
- Trans-Amazonian Highway, 506
- Trans-Atlantic trade, 91
- Transnational companies, 284
- Transportation: Inca roads and, 31; in Spain, 45; in Paraguay, 209; in Chile, 258–259; in Venezuela, 269; Panama Canal and, 563
- Travel dangers, in Mexico, 197
- Treaties: Chile-Bolivia, 255; Araucanians and, 258. *See also* specific treaties
- Treaty of Rio de Janeiro, 309
- Tres Zapotes, 14
- Trial by jury, 217
- Tribes: as level of social organization, 9; populations of, 9
- Tributary towns (Aztec), 29
- Tribute, 82; to Aztecs, 25, 29; Inca and, 32, 34; Indian, 68; amount collected in New Spain, 79; population decline and, 79–80; in Paraguay, 81; vs. trade, 83; to Cortés, 85; Spain's dependence on, 94; gathering of, 154; in Peru, 228, 229
- Tribute labor, 4
- Trienio (Venezuela), 485, 487
- Trilateral Commission, 282
- Trinidad, 56
- Triple Alliance: Aztecs and, 23, 24; war, 210; Brazil, Argentina, and Uruguay, 211
- Tristán, Flora, 188, 413
- Triumph of Juarez, The* (Orozco), 202 (illus.)
- Tropicalia movement (Brazil), 502–503
- Trujillo, Rafael, 279, 569; Haitian massacre and, 302; Castro and, 389; CIA and, 579
- Truman, Harry S., 575–578
- Truth Commission (UN): in El Salvador, 465–466
- Tucumán, congress of, 205
- Tula, 22, 23; Toltec from, 18; fall of, 23
- Tunja chiefdom, 10
- Tunubala, 480
- Tupac Amaru (Inca), 67
- Tupac Amaru II (José Gabriel Condorcanqui), 113, 154, 155, 155 (illus.), 410 (illus.), 413
- Turkish Empire, 48
- Turpie-Foraker Amendment, 379, 566
- Tutino, John, 196
- Tutino, Thomas, 416
- 26th of July Movement (Cuba), 388, 389, 390, 391, 393
- Two-party system (Colombia), 241, 477
- Typhoid epidemic, 426
- Typhus, 12
- Ubico, Jorge, 309, 440, 441, 576
- Ulloa, Jorge Juan and Antonio de, 152
- Umana Mendoza, Eduardo, 478
- Umayyads, 37
- Underdevelopment of Latin America, 285
- Underemployment. *See* Economy; Unemployment
- Underground railway (Brazil), 227
- UN Development Program, 465
- Undocumented workers, in U.S., 518
- Unemployment, 290; in Chile, 259, 508; increases in, 288; in Argentina, 296, 365, 366, 367, 372, 373; in Cuba, 397; in Ecuador, 415; in Nicaragua, 452; in El Salvador, 460; in Venezuela, 493; in Brazil, 501, 506, 509, 510
- Ungar, Mark, 493
- Ungo, Guillermo Manuel, 459, 461, 463
- Unidad Revolucionaria Nacional Guatemalteca (URNG), 444
- Unification of Spain, 41
- Unified Black Movement (Brazil), 504
- Unión Cívica (Civic Union), 254
- Unión Cívica Radical, 254, 255
- Unionists, in Puerto Rico, 570
- Unión Patriótica Militar (UPM), 484
- Unitarianism (Argentina), 195, 206, 208
- United Front for Women's Rights (Mexico), 332
- United Fruit Company (UFCO), 440, 441, 442, 577 (illus.); Guatemala government and, 440, 442; “banana” strike (Colombia) and, 470
- United Guatemalan Workers (UNSTRAGUA), 445
- United Nations: indigenous peoples and, 304; United Nations Truth Commission, 310; U.S. Panama invasion and, 585
- United Provinces of Central America, 216–218
- United Provinces of the Río de La Plata, 167, 206–207, 208
- United States: Philippine revolt against, 5; power in Spanish America and Brazil, 6; Spanish colonial trade with, 138; Mexican War and, 200; Mexico and, 204, 246, 250, 321, 323, 324, 328–329, 515, 517, 519, 570–572; British rivalry with, 216–217; abolition of slavery in, 225; Cuba and, 233, 234, 378–381, 390, 391–392, 552–558, 578–579; neocolonialism and, 244; Chile and, 260, 430, 435–436; Nicaragua and, 267, 447, 448, 450–451, 452, 454, 568–569, 572, 590; Venezuela and, 269, 495, 565–566; imperialism of, 276, 561–573; after World War I, 277; Good Neighbor Policy of, 279, 572; Latin American foreign debt and, 285; militarization of foreign policy, 312; Madero and, 314, 317; Obregón and, 327–328; Brazil and, 344, 346, 348–349; Goulart in Brazil and, 355; Argentina and, 367; Spanish-Cuban-American War and, 378–379; social reform in Bolivia and, 409; Guatemala and, 439, 440, 441, 442, 443, 444, 446; attack on Guatemala by, 442; military aid to Honduras by, 454; El Salvador and, 461; Colombia and, 469, 470, 475, 477, 478; Panamanian independence and, 469; cocaine and, 475; maquiladoras and, 517; undocumented Mexican workers in, 518; policy objectives of, 559, 561; Latin American relations with, 559–592; territorial expansion, 560 (illus.); territorial expansion by, 560 (illus.); force used by, 561; as policeman of Western Hemisphere, 561; Manifest Destiny and, 561–563; investments in Latin America, 563–564, 571–572; intervention in Caribbean countries, 566; investments in Caribbean

- region, 566; Dominican Republic and, 568–569; Haiti and, 569; Puerto Rico and, 569–570; Mexican Revolution and, 570–571; goal of Latin American policy, 571; reciprocal trade agreements with Latin America, 573; in post-World War II period, 573–574; empire defended by, 573–581; drug traffic as pretext for interventionism, 575; Latin American policy in cold war, 575–579; Bolivian intervention by, 576, 590; and Latin America in Vietnam era, 579–581; “gunboat diplomacy” of, 581–587; military assistance to El Salvador by, 585; Gulf War and, 586–587; “new world order” and, 587–592; conditions for nonintervention by, 589; nation-building policy of, 589. *See also* Foreign investment; Foreign loans; specific Latin American countries
- United States–Cuba Trade and Economic Council, 557
- United Technologies Corporation, 479
- Universities: in Spain, 43; reform in Argentina, 364
- Universities of Lima and Mexico City, 106
- University students, 293
- UP. *See* Popular Unity (UP)
- Upper class: in Mexico, 252; in Chile, 436
- Upper Peru, 143, 166; as Bolivia, 205; independence of, 205; liberation of, 205–206. *See also* Bolivia; Potosí; Silver
- Urbanization, 293; in Brazil, 340, 341; in Argentina, 359
- Uribe Velez, Alvaro, 479, 480
- Uriburu, José F., 366
- Urquiza, Justo José de, 186, 208
- Urrutía, Manuel, 391
- Ursúa, Pedro de, 74
- Uruguay, 166–167; Brazilian invasion of, 205, 209, 211; Britain and, 205; independence of, 205; liberation of, 205; Brazil-Argentina war over, 207; invasion of Paraguay and, 209, 211; Frente Amplio and, 580. *See also* specific leaders
- Uruguay round, of GATT, 587
- Utopia (More), 58, 101
- Utopian ideals: clergy and, 101
- Utopian socialism, 180
- Utrecht, Treaty of, 135; English merchants and, 137
- Vacant land, 249
- Vaccination, 136
- Valcárcel, Luis E., 405
- Valdés de Diaz, Esther, 423
- Valdivia, Pedro de, 71
- Valdivieso, Antonio de, 102
- Valencia, Spain, 38
- Valle Jaramillo, Jesús María, 478
- Vallejo, Demetrio, 334
- Valle y Caviedes, Juan del, 109
- Valley of Mexico, 25 (illus.); early civilizations in, 14–17; invasion by Nahuatl-speaking peoples, 23; Tula and, 23; Aztecs in, 23–29. *See also* Mexico
- Valorization program, 264, 344, 345
- Valverde, Vicente de, 66
- Vance, Cyrus, 588
- Vandré, Geraldo, 502
- Van Young, Eric, 142, 173
- Vaqueiros (cowboys), 127
- Vargas, Getúlio, 278, 309, 339, 340, 346 (illus.), 388; Brazilian bourgeois revolution and, 345–351; reelection of, 347; as dictator, 347–349; military coup against, 349; return to power (1950), 350–351; death of, 351
- Vasconcelos, José, 320, 327
- Vatican. *See* Catholic Church
- Vaughan, Mary Kay, 327
- Vázquez, Tabaré, 591 (illus.)
- Vega, Garcilaso de la, 107, 119
- Vega, Lope de, 51
- Velasco Alvarado, Juan, 400, 410, 410 (illus.), 411, 413, 415
- Velasco Ibarra, José María, 413
- Velásquez, Efraín Bámara, 311
- Velázquez, Diego, 50, 50 (illus.), 51, 62, 63, 65
- Velázquez Cárdenas y León, Joaquín, 148
- Veloso, Caetano, 502, 503, 503 (illus.)
- “Venceremos” (“We Shall Overcome”), 434, 508
- Venegas, Francisco Javier de, 171
- Venezuela, 96, 468; chiefdoms in, 10; as Welser family fief, 48; Vespucci in, 61; Aguirre in, 74–75; experimental colony in, 78; encomienda in, 80; free trade in, 138; as captaincy general, 145; revolution and, 160–161; liberation movement and, 163; llaneros in, 164; liberation of, 165–166; Gran Colombia and, 235; New Granada and, 235; union with Colombia, 235; economy in, 237, 268–269, 481, 483, 489, 493; slavery in, 237–238; church estates in, 245; government of, 268–269; politics in, 268–269; German and British intervention in, 269; poverty in, 468, 491, 492, 493; 1908–1935, 481–484; racial mixing in, 482; riots and protests in, 482; women in, 482, 483–484, 486, 489; agrarian reforms in, 483, 485, 486, 488, 489, 494; bourgeois revolution in, 483; peasants in, 483, 484, 485, 487, 488, 490, 494; voting in, 484, 485; Betancourt-military alliance in, 484–487; military junta in, 484–487; labor in, 485; general strike in, 487, 496; Pact of Punt Fijo in, 487; secret police in, 487; representative democracy in, 487–497; social welfare in, 488; population of, 489; populism in, 489, 490; standard of living in, 489; agriculture in, 490; economic dependency in, 490; economic development in, 490; IMF loans to, 490; austerity program in, 490–491; neoliberalism and oil in, 490–493, 495; privatization in, 491, 492, 493; reforms in, 492, 493 (illus.), 494; Cuban oil/medicine exchange with, 495; social revolution in, 495; coup in (2002), 496, 589; and United States after crisis of 1895–1896, 565–566. *See also* Oil industry; specific leaders
- Venezuelan Development Corporation (CVF), 485
- Venezuelan Teachers’ Federation (FVM), 486
- Venezuelan Union of Women, 486
- Venezuelan Women’s Association (AVM), 482
- Venta, La, 14
- Veracruz, 91; ancient sites in, 14; Spanish in, 62, 63; invasion by European powers, 203; U.S. seizure of, 321
- Vertical economy, 32
- Vértiz y Salcedo, Juan José de, 143
- Vespucci, Amerigo, 58, 61
- Vetancurt, Agustín de, 149
- Vicens Vives, Jaime, 45
- Viceroy, 96, 98; lifestyle of, 98; in Brazil, 129
- Viceroyalties: of New Spain, 96; of Peru, 96, 137; in 16th century Spanish America, 97 (illus.); of Buenos Aires, 143; of Rio de la Plata, 143; in Latin America (1780), 144 (illus.)
- Victoria, Guadalupe, 199
- Videla, González, 574
- Videla, Jorge Rafael, 374, 511
- Vieira, Antônio, 125–126
- Vietnam War, and U.S. Latin American policy, 575, 579–581
- Vilanova de Arbenz, María, 441

- Villa, Pancho, 315, 571; Constitution-  
alists and, 319; Carranza and, 321–  
322, 323; land reform and, 322;  
Zapata and, 322 (illus.); defeat of,  
323
- Villages: chiefdom in, 9–10, 13; of Inca,  
32–33; in haciendas, 118; Jesuit  
settlement of native converts in, 125
- Villa-Lobos, Heitor, 342
- Villaroel, Gualberto, 407
- Villas de señorío, 42
- Violence: climate of, 5; in colonial cities,  
117–118; in period 1820–1870,  
191; in Brazil, 339–340; in Cuba,  
390; in Colombia, 471, 472, 473;  
against women in maquiladoras, 517
- Violencia, la (Colombia), 472, 473
- Viracocha (god), 35
- Virginity, importance of, 119
- Virgin of Guadalupe, 149 (illus.), 149n,  
150, 172
- Virgin of Los Remedios, 150
- Visigoths, 36
- “Vision of the Vanquished. The,” 57
- Visita (inspection), 79, 99
- Volkswagen, 501
- Voting: rights for women, 176, 316–  
317, 428–429; requirements for,  
195; in Chile, 213, 258; in Brazil,  
346; in Argentina, 370; in Bolivia,  
408; in Guatemala, 444; in El  
Salvador, 465; in Colombia, 469,  
471, 472, 473, 474, 476, 479, 480;  
in Venezuela, 484, 485
- Voyages: Portuguese, 52–54; of Colum-  
bus, 55–56; Spanish in Caribbean,  
59 (illus.); for waterway to East, 61
- Wachtel, Nathan, 33, 103
- Wage and price freeze, 374
- Wage labor, 226–227; in Spanish  
America, 81–82; in Colombia, 470
- Wages: of Brazilian workers, 341; in  
Argentina, 372, 374; in El Salvador,  
459; in Venezuela, 482, 490, 491
- Waldron, Kathy, 119
- Waldseemüller, Martin, 61
- Walker, William, 218, 267, 466
- Waman Puma, Felipe de Ayala, 107–108
- Ward, Henry, 199
- Warfare: in chiefdoms, 10; change from  
chiefdom to state and, 10–11; in Post-  
classic period, 14; of Aztecs, 24–26;  
under Charles V, 47–48; Aztec vs.  
Spanish, 69. *See also* specific battles  
and wars
- War of a Thousand Days (Colombia),  
271, 469
- War of Granada, 43, 44, 46
- War of the Comuneros (Nicaragua), 267
- War of the Pacific, 231, 255–256, 257  
(illus.), 258; Peru and, 231, 401,  
402, 403
- War of the Spanish Succession, 135
- War on drugs: in Colombia, 476–478;  
Clinton and, 588
- “War on terrorism,” 495, 575
- Warrior band, 72
- Warrior class, 10, 14
- Warrior-nobles: Aztec, 23
- Water, 27
- Wealth: Aztec, 29; of conquistadors, 73;  
of Cortés, 85; of monasteries, 104; of  
conversos, 106; equality and, 119;  
social mobility and, 150–151; under  
Bourbon rule, 153; in Mexico, 203,  
248–249; in Chile, 215–216; in  
Argentina, 358–359; in Cuba, 554
- Weapons, 63, 69
- Weinstein, Barbara, 354, 355
- Welfare programs, 425
- Welles, Sumner, 386–387, 572
- Welsler, German house of, 48
- West Africa, Portugal and, 53
- Western Hemisphere: U.S. role in, 561;  
meetings among countries in, 573;  
common market in, 587. *See also*  
specific countries and regions
- Western Hemisphere Institute of Security  
Cooperation, 310
- West India Company (Dutch), 126
- West Indies, 69; Taino people of, 12;  
cattle industry in, 88; English in,  
92–93; Treaty of Madrid and, 93;  
Dutch in, 126; commerce with, 138
- Weyler, Valeriano, 378
- Wheat, 87, 215
- Wheelwright, William: steamship line in  
Chile and, 214
- Whites: as ruling class, 110; in Brazil,  
131, 340; in Venezuela, 269,  
481–482; in Colombia, 470
- White supremacy: in Guatemala, 266;  
in Cuba, 379, 381, 382–383; in U.S.  
policy toward Latin America, 564
- White Warrior Union (El Salvador), 460,  
461
- Wilde, Eduardo, 252
- Wilson, Henry Lane, 317, 386
- Wilson, Woodrow: Mexico and, 320–  
321, 571; Carranza acknowledged  
by, 323; Latin America and, 561;  
Dominican Republic and, 569
- Wisconsin glaciation, 8
- Wolfe, Joel, 341
- Womack, John, 316
- Woman suffrage: in Mexico, 332; Perón  
and, 369; in Venezuela, 485
- Women: clothing of Aztec, 26; Aztec,  
27; Inca, 33; emigration of Spanish,  
73; in Guaraní society, 80; as  
Spanish concubines, 80; native,  
112; in black slave population, 116;  
marriage, sexuality, and status of,  
118–121; status of, in colonial era,  
118–121; convent life for, 120–121;  
Portuguese, in Brazil, 131; in Latin  
American revolutions, 175–176;  
status of, 188, 297–301; feminist  
movements, 189; in Cuba, 298,  
378, 384, 385, 386, 387, 556; in  
Nicaragua, 298–299; in Mexican  
Revolution, 313, 314, 316 (illus.),  
324; Carranza and, 324; childcare  
benefits for, 324; gender equality in  
Mexico and, 324; in Brazil, 343–344,  
346, 347–348; in Brazilian cabinet,  
346–347; in Peru, 405, 406; in  
Bolivia, 408–409; in Chile, 423–424,  
427–429, 436, 508, 510–511;  
in Guatemala, 441, 444, 445,  
447; Nicaraguan revolution and,  
456–457; in El Salvador, 462 (illus.),  
466; in Colombia, 469, 474, 474  
(illus.); in Venezuela, 482, 483–484,  
486, 489, 494; in maquiladora labor  
force, 517; as breadwinners, 530
- Women’s Committee (Venezuela), 486
- Women’s Cultural Association (ACF,  
Venezuela), 482
- Women’s Department (DF), 510
- Women’s Liberation Movement  
(MEMCH, Chile), 426 (illus.), 428
- Women’s rights: in Mexico, 332; in  
Bolivia, 407–408; in Peru, 413; in  
Ecuador, 414
- Women’s Rights Association (ADF,  
Argentina), 364, 365
- Women’s rights movement: in Peru,  
405; in Venezuela, 484. *See also*  
individual countries
- Women Workers’ Federation (FOF,  
Bolivia), 408
- Wood, Leonard, 380
- Workday, 246; in Spanish America,  
142–143; in Brazil, 265, 347; in  
Mexico, 324; in Argentina, 365; in  
Peru, 403
- Workers: in tobacco industry, 142;  
in Brazil, 265, 352, 354; Madero  
and, 316; Carranza and, 324; in  
Argentina, 358, 363, 364–365,  
373; Perón and, 369; in Cuba, 397;  
in Peru, 403; in Bolivia, 408; in  
Chile, 423; in El Salvador, 464; in  
Colombia, 470–471; NAFTA and,  
587. *See also* Working class

- Workers' Federation, in Brazil, 349  
 Workers' Federation of Chile, 423  
 Workers' Party (Brazil), 504, 508  
 Work force: women in, 358, 530; in Cuba, 387, 397, 398  
 Working class: in Chile, 260, 423, 428–429; in Brazil, 265, 341, 344, 346–347, 350–351; industrial, 295–296; in Mexico, 335; in Argentina, 359, 367; in Cuba, 397; in Peru, 403, 406; in Cuba (*See also* Workers)  
 Work quota system, 396  
 World atlas of Ortelius, 58  
 World Bank, 284–285, 287; Colombia and, 476; Haiti and, 584; Sandinistas and, 584; U.S. policy and, 587  
 World Cup (soccer), 459  
 Worldview, Discovery and, 57–58  
 World War I, 277; disruption from, 244; Huerta regime (Mexico) and, 325; Mexican neutrality in, 325; Brazil and, 339–341; Cuba and, 383–385; Guatemala after, 440  
 World War II: postwar era and, 279–280; Brazil and, 348–349; Argentina and, 368–370; Cuba and, 387; Popular Front (Chile) and, 427, 428; Guatemala and, 440–441  
 Writers and writing: in Classic period, 13; Olmec, 14; Zapotec, 15, 17; of Maya, 19–21; Inca and, 31; in 16th century colonies, 147–148; Enlightenment, 159. *See also* Literature; specific writers  
 Writs of pardon, 4  
*Xiuhamatl* (Book of the Years, Aztecs), 27  
 Yanacunas (permanent servants), 33, 142, 152, 156; in Andean region, 81–82; in Peru, 228, 407  
 Yanomami people, 302  
 Yaqui people, 249  
 Yellow fever: conquest of, 380; El Salvador population and, 459  
 Yermo, Gabriel de, 171  
 York Rite Masonic lodge, 199  
 Young, Han, 587  
 Youth culture: in Chile, 434; in Brazil, 501–505  
 Yrigoyen, Hipólito, 254, 361, 363, 364; Argentine government under, 363–364, 365; second term of, 365  
 Yucatán Peninsula, 13; Maya civilization in, 17, 18, 19; Spanish in, 62, 65  
 Yuyachkani (theater group, Peru), 413  
 Zacatecas, 87, 88, 176  
 Zaldívar, Clemente, 335  
 Zaldívar, Rafael, 267  
 Zambos (African and indigenous peoples), 115; in colonial social order, 115–116  
 Zamora, Ezequiel, 239  
 Zapata, Emiliano, 315; Madero and, 315, 316; struggle of, 317; Villa and, 322 (illus.); murder of, 325  
 Zapatista Army of National Liberation (EZLN, Chiapas, Mexico), 287, 303, 518, 519  
 Zapatistas, 316; rebellion, 294; in Mexican Revolution, 315; Carranza and, 325  
 Zapotec culture, 15, 17  
 Ze, Tom, 503 (illus.)  
 Zedillo Ponce de León, Ernesto, 519  
 Zeitlin, Maurice, 215  
 Zelaya, José Santos, 267, 564, 569  
 Zeledón, Benjamin, 448  
 Zero, Mayan concept of, 20  
 Zimbalist, Andrew, 397  
 Zimmerman telegram, 571  
 Zipa (Chibcha), 71  
 Zolov, Eric, 335, 337  
 Zorita, Alonso de, 100, 115  
 Zumárraga, Juan de, 101  
 Zuñi people, 70