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Volume 4 Number 2, 1992

Hemisphere

A MAGAZINE OF LATIN AMERICAN AND CARIBBEAN AFFAIRS

Winter/Spring 1992

Volume Four • Number Two

Seven Dollars

What's Right, What's Left? Redefining Latin American Politics

Rosario Espinal, Marcelo Cavarrozi

Vanishing Options? Reorganizing Labor in Latin America

Steve Levitsky, Tony Lapp, Efrén Córdova

Brasília: The Poverty of Modernism

Ellen J. Pader

Brown on the Rio Earth Summit
Horowitz on the Political Shadow of Panama
Snodgrass on Free Trade and Mexican Steel
Perez-Stable on Transition in Cuba
Glinkin on Russia and Latin America
French on Carlos Andrés Pérez
Griffith on Crisis and Cinema in Brazil





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Road Map to Rio: An Agenda for ECO '92

by Janet Welsh Brown

As the hemisphere's nations gear up for the June 1992 UN Conference on Environment and Development (UNCED), also called "ECO '92" or the "Earth Summit," in Rio de Janeiro, charges and demands escalate. In the North, environmentalists and a growing number of politicians have made saving tropical forests and stabilizing population the primary goals—without offering any new money to meet these goals. In the South, the charge of "ecological debt" is coupled with fears that the North is trying to "internationalize the Amazon." The most strident voices in this debate are raising hackles in both North and South, without producing any constructive results. Worse yet, the world's most powerful nation is blocking progress on such critical issues as climate change and conservation financing.

Calling for more scientific research, the Bush administration ignores the widespread scientific consensus that greenhouse warming is a growing threat. Refusing to commit funds internationally for efforts to protect the global environment, the US denies its own historical record as the principal contributor of greenhouse gases. The US stance led to a deadlock in the September 1991 negotiations on an international climate treaty,

Janet Welsh Brown is a senior associate at the World Resources Institute, in Washington, DC, and a member of the New World Dialogue on Environment and Development in the Western Hemisphere. She co-authored (with Gareth Porter) Global Environmental Politics (Westview Press, 1991).

which proponents had hoped to have ready for signature at the Rio conference in June 1992. On the other side, the countries of the South are relentless in their demands for "compensation" of various kinds, including seemingly wholesale transfer of technology at concessionary rates.

In the North, environmentalists and growing numbers of politicians have stressed the goals of saving tropical forests and stabilizing population—without offering any new money to meet these goals.

Concerned about our hemisphere's severe environmental deterioration and the widening gap between rich and poor, a group of 30 private citizens from Chile to Canada came together in January 1991 to form the New World Dialogue on Environment and Development in the Western Hemisphere. Impatient with their governments' lack of urgency in dealing with dangerous trends that threaten newly recovering economies and resurgent hopes for democracy, the group's members spent nine months hammering out

the *Compact for a New World*. The *Compact*, in the form of an open letter to the hemisphere's presidents and legislators, proposes a set of linked initiatives that are in the mutual interests of both the nations of this hemisphere and the globe.

The *Compact's* underlying assumptions are quite distinct from those in the rhetoric of current international debate. New World Dialogue members do not assume that all the money, technology, and reforms needed to save the environment must flow from North to South. The *Compact's* major premise is that 50 years of neglecting the environment and socioeconomic equity in both North and South have allowed energy consumption, soil erosion, air and water pollution, global warming, population growth, and poverty to escalate to levels that cannot be sustained. New World Dialogue members know that tackling these problems and putting the hemisphere on a path toward sustainable development will require difficult decisions, new kinds of investment, mutual commitments, and unprecedented international cooperation. They also know that the errors and failures of policy—and the will, money, technology, and imagination required to correct them—are to be found not just in North America, but in every corner of the hemisphere.

Despite the acrimony—and US resistance—New World Dialogue members believe forward motion can be restored and meaningful agreements reached at the Rio conference. Their *Compact for a New World* asks governments to tackle the environment and development through linked, complementary measures and specific goals:

- To protect both tropical and temperate primary forests of the hemisphere (and the great wealth of biological diversity therein). The US and Canada cannot expect cooperation from the Amazon countries if they continue to level old-growth timberlands in an economically shortsighted way at home.
- To reduce per-capita carbon dioxide emissions in the US and Canada by 30% by the year 2005 (which will still leave them behind other countries of the Organization for Economic Cooperation and Development) and to develop cleaner and more efficient energy sources in both North and South America.
- To regulate, control, and reduce water and air pollution, especially in the region's huge industrial cities where the commercial wealth and comfort of a few are built on the faltering health and well-being of the many.
- To end hunger and poverty because fields and forests cannot be protected and a solid foundation for hemispheric prosperity cannot be built unless all people enjoy basic services, jobs, and access to land and other resources.
- To reduce population growth rates in all countries to 1% per annum by 2020 and to stabilize population by mid-century so there will be enough services and resources to go around.
- To invest cooperatively in the technological capacity and the training needed for sustainable development, recognizing that the transfer of existing technologies—even at bargain rates—is not sufficient to the task.
- To free hemispheric trade from barriers that distort costs—both

economic and environmental—while implementing the strong social and environmental programs spelled out above to avoid environmental degradation and correct existing inequities.

- To fund this development primarily out of each nation's own resources by reallocating funds and expertise from unsustainable activities and by cutting military budgets by 20% over the next five years.

President Bush cannot go to Rio—and he likely will go—without making concessions. He cannot afford to look like the world's environmental villain.

- To provide additional funding by rechanneling Latin America's foreign debt into development programs and providing private-sector incentives for sustainable development.
- And to create an international ecofund to which each nation in the hemisphere contributes by enacting fossil fuel taxes (with rates being pegged to carbon content) and from which all nations can draw to promote sustainable development.

Can such fundamental changes be forced through the decidedly narrow window of opportunity open in the 1990s? The answer is positive, if the past is viewed as a prologue. Consider how fast concern for the environment has grown; how far organizations such as the Inter-American Development Bank have come in recognizing and addressing the hemisphere's poverty and environmental degradation; and what breakthroughs the American nations have made in recent years in economic integration and political democratization.

Will the US, whose leadership is essential, move to break the current impasse in time to make a difference by June 1992? The answer seems to be yes. President George Bush cannot go to Rio—and he likely will go—without making concessions. He cannot afford to look like the world's environmental villain going into the summer's presidential nominating conventions, particularly given the growing attention to US-Mexican environmental problems in light of negotiations over a North American free-trade agreement. He badly wants the free-trade agreement signed before the 1992 election, when such a negotiating success could be a vote-getter in key border states where it is expected to stimulate the economy and create jobs. Environmental organizations will use the desire for an agreement to leverage their own demands that environmental considerations get more attention in the negotiations.

Other national leaders might help turn the tide here, too, especially if the Europeans and the Japanese continue to press the US on

climate and financing. In the summer of 1991 British prime minister John Major took an unusual public swipe at the US stance on global warming, and his environment secretary criticized US intransigence in an "unusually tough and personal" letter to then White House chief of staff John Sununu. Japan has announced an April 1992 conference in Tokyo, at which it is expected to offer a \$10-12 billion contribution to carry out UNCED initiatives. Some US business interests may press for action, too, since they see that the US will be left behind, scrambling to catch up, unless the US government shows some movement on funding, including major support for technology transfer and capacity building. Thoughtful Latin American and Caribbean leaders could also break new ground by proposing agreements, like those sketched out in the *Compact*, on forests or poverty. After all, Brazil and other industrializing countries also need a victory at Rio.

With the official launching of the *Compact* in October 1991, New World Dialogue members are now campaigning intensely to convince the governments of the Americas to follow this road map to Rio. ECO '92 is a mere way station, however, and not a final destination. The broader purpose of the *Compact* is to help shape *Agenda 21*, the document to be formulated at Rio. *Agenda 21* will articulate agreed goals for rescuing the planet and will outline the actions to be taken by all nations in years to come. Let us hope that a bold agenda for sustainable development will be adopted and put into practice, not only in the Americas, but also on a global scale. ■

Editor's Note: Copies of Compact for a New World (in English, Spanish, Portuguese, and French) are available free of charge from the World Resources Institute, 1709 New York Avenue, NW, Washington, DC 20006.



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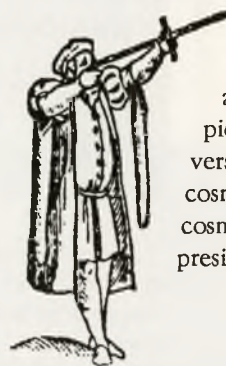
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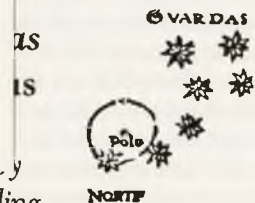
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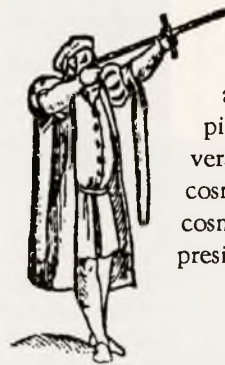
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Shadow of a Nation

by Irving Louis Horowitz

Viewed superficially and strictly from the inside, Panama is a typical Latin American state: a place in which political implosion takes place with increasing frequency and dangerous potential. It has the usual array of hemispheric polarities: rich and poor, urban and rural. It is a place where the merchant class and the military force have historically cooperated to share power. And it reveals a state of affairs in which parliamentary politics is more rhetorical than real. As Zorba the Greek might have put matters: Panama offers a spectacle of the "full catastrophe."

Viewed from the outside, Panama is an exceptional and atypical nation in that it consistently arouses at least a modicum of US popular interest. In an article in *Foreign Affairs* (Winter 1989-90), Linda Robinson offers the key reasons for this exceptional position. The first is the perceived centrality of the Canal. The second is the view of Panama as a conduit of global drug-trafficking and therefore a cultural pollutant of American life. And the third is the fact that Panama's armed forces are virtually a US creation. All these are necessary but not quite sufficient reasons for Panama's unique status. One would have to add that Panama is more a creation in, than a nation of, the twentieth century. Its existence is more a function of

global commercial needs than of indigenous developments.

In establishing a US policy context for Panama, the confusion derives from failure to face the fact that Panama is a nation artificially created from the outside. The overthrow of General Manuel Antonio Noriega—however necessary it may have been considering the paucity of US strategic options—did nothing to correct this failure.

The confusion in US policy derives from failure to face the fact that Panama is a nation artificially created from the outside. The overthrow of Noriega did nothing to correct this failure.

All parties in Panama seem to agree that the country's current marginalization of the populace from national politics is a direct outcome of, first, the Endara government that was sworn in at a US military base; and second, a former head of state who, however corrupt, has been held and tried on the sovereign soil of a foreign power. Thus, the common point

of departure is that external interference in the internal affairs of Panama is the principal source of instability—a refrain that pervades the history of Panama, an artificial nation.

Prospects for Democracy

In the face of the Panamanian state's overwhelming absence of legitimacy, the capacity to democratize is more difficult to establish in Panama than perhaps anywhere else in Central America. Panama is a land with the trappings of democracy—such as multiple parties, voluntary organizations, and a free market. What it lacks is the substance of democracy: orderly rule based on consensus, with a respect for minority rights.

As a result, voting fraud and voting abstention are common. And in place of mass electoral participation is the politics of gossip, of private affairs raised to public tribunal. The consequence of this resort to media politics is a broad-ranging cynicism that corrodes all layers of society.

Then there is the continuing turmoil over legitimacy within Panama as a result of the overthrow of Noriega by force of US arms. There is a broad consensus that Noriega's regime fixed elections, menaced all forms of opposition, and was willing to consort with the devil in order to extract profits from the world market. Panama was a test case of political corruption, but also of the successful adaptation of political corruption to special opportunities and circumstances in the world market for drugs. And the fine line between the legal and the illegal does not obviate the fact that certain forms

Irving Louis Horowitz, Hannah Arendt distinguished professor of political science and sociology at Rutgers University, is the editor of Cuban Communism (7th ed.; Transaction, 1989).

of corruption, however distasteful, are functional with respect to issues of sovereignty.

No less affecting is the ever-present sense of economic crisis: Panama's debt is one of the highest per capita in the world, unemployment stands at more than 20%, and the looting and damage from the most recent US invasion is estimated to be in the range of hundreds of millions of dollars.

Coup attempts in Panama are distressingly frequent. The most recent took place in late 1990, when Colonel Eduardo Herrera Hassan attacked Panamanian police headquarters with a small band of soldiers. As luck would have it, the head of the US Military Support Group and a handful of US troops were inside. They were able to hold off and then defeat the rebel assault. It has been said that victory or defeat in this insurrection turned on minutes—with the usual caveats by the guerrillas that next time the insurrection will succeed, the Americans and/or their Panamanian flunkies will be ousted, and all will be right with Panama.

Finlandization

The purpose of my remarks is not to engage in suggestions for a new micromanagement of Panama or its sister republics. Rather, it is to claim that the existence of vital interests—real or presumed—in the Canal Zone make it impossible for the US to adopt a hands-off policy toward Panama.

Obviously US intervention in the Caribbean Basin has been extensive. Nevertheless, in no other country of the region does the US have a large standing armed force and in no other is the economy tied so directly to the US.

As long as the Panama Canal remains a link in trade between the Atlantic and Pacific Rims, the US is not in a position to look at Panama as an ordinary state of the Americas. It simply cannot tolerate dimensions of Latin American politics in Panama that it would

consider normal and acceptable elsewhere. This stance could be interpreted as the US equivalent of what Walter Laqueur called "Finlandization": the externally fixed political neutrality of a small dependent nation.

The US simply cannot tolerate dimensions of Latin American politics in Panama that it would consider acceptable elsewhere. Its strategic needs preclude toleration of anti-Americanism in Panama.

In this sense, "Panamanianization" signifies just such a demand—a US strategic need for a regime in which anti-Americanism is beyond the range of tolerable postures. In a nation where geopolitical and military considerations prevail, concerns imposed from abroad are critical. Indeed, General Noriega's regime was only in jeopardy after

he turned away from such a broad appreciation of US national interest, abandoned democratic rhetoric, and sought to impose an anti-US dictatorial cacique that featured an evolving alliance with Castristas and Sandinistas. Arguably what made Noriega a marked man was neither his drug-related activities nor his personal corruption, but rather his sharp turn in political ideology. Yet, a multiparty democratic political framework in Panama, with wide options and deep popular roots, is hardly a likely prospect in the immediate future. The very considerations that have led to its present malaise are also the elements that inhibit political normalization.

Political life prefers closure, however undemocratic, to the sort of running sore that is Panama. Unfortunately the latter is the most likely prospect for this "exceptional" nation. Panama is a political shadow without a state substance. The mechanisms of actual power have passed from Noriega to Endara via the White House. In a world of strategic considerations, those of sovereignty are at times preempted. What remains, or what can be hoped for in the short term, is a political regime of a generally benevolent sort, far superior in tolerance and decency to what formerly held sway, but lacking even in the modest legitimacy that dictatorship bestows on a small nation. ■

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Free Trade and Mexican Steel

by B. Warren Snodgrass

With or without a North American free-trade agreement, both the Mexican and US steel industries will continue to operate in a highly competitive global environment of oversupply and cyclical demand. On the supply side, world markets are saturated. Fueled first by the requirements of European reconstruction and then by economic development in the Third World, global steel production has quadrupled since the end of World War II. Although the rate of growth has plummeted, nearly 70 countries are steel producers. As a result, factories rarely operate at full capacity and supply commonly exceeds demand. On the demand side, notoriously cyclical steel consumption tends to reflect national economic health. Furthermore, the largest steel consumers—construction and the auto and machinery industries—exert the greatest impact on the steel industry.

Steel markets are a favorite object of government intervention. Policymakers tend to view steel as a "strategic industry," since neither cars nor national infrastructure can be built without it. Thus they often react to the threat of foreign competition by raising protectionist barriers that dampen international steel trade. The result is that, although the quantity of finished steel on international markets has

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increased over the last decade, the percentage of total production traded on international markets has barely grown.

In a commodity market historically distorted by tariffs, US steel policy has been especially protectionist. In 1984, after intense lobbying from industry representatives, President Ronald Reagan placed a quota on steel imports in the form

What will happen once the US-Mexican steel trade is completely liberalized and the two national industries meet in head-on, unrestricted competition? Can the Mexican steel industry survive?

of voluntary restraint agreements (VRAs), which limit the import access of 17 countries (including the European Community as a single bloc) to a fixed percentage of total US steel consumption. The initial restriction was 18.4%, gradually rising thereafter to the current ceiling of 20.3%, with Mexico's limit now standing at 1.1%. The VRAs were extended twice, but are scheduled to expire in March 1992.

While the US spent the 1980s protecting its steel industry, Mexi-

can policy took the opposite track. Beginning with Mexico's accession to the General Agreement on Tariffs and Trade in 1986, the government has reduced or removed the country's trade barriers, making the US VRAs the primary obstacle to US-Mexican steel commerce. The nonrenewal of the VRAs following their 1992 expiration would leave Mexican tariffs as the remaining obstacle, one that would be gradually phased out over a period of five to ten years.

What, then, will happen once the US-Mexican steel trade is completely liberalized and the two national industries meet in head-on, unrestricted competition? Theoretically the more efficient of the two national industries should emerge as North America's dominant force, gradually accumulating market share until the competitor capitulates. A comparison of the numbers makes US industry look like the favorite to win. After all, the US exports more steel to Mexico than it imports from Mexico, produces 12 times more raw steel, and does so much more efficiently and with more modern equipment.

With disparities like these, can the Mexican steel industry survive? The unequivocal answer is yes. The Mexican steel industry will remain competitive in a North American free-trade zone thanks to increased economies of scale, improvements in manufacturing efficiency, and growth in both domestic and international markets.

Mexican Transformation

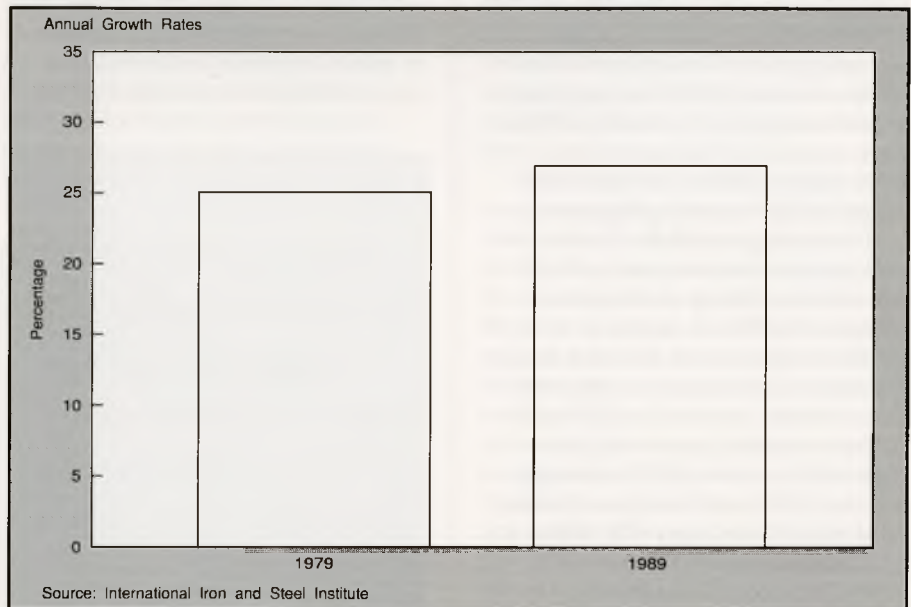
The Mexican steel industry, like Mexican industry in general, has made a decisive move toward consolidation and privatization. In

November 1991 the Mexican government completed the sale of the parastatal steel firms *Altos Hornos de México* (AHMSA) and *Siderúrgica Lázaro Cárdenas* (SICARTSA). The former was bought by *Grupo Acerero del Norte*, and the latter by *Grupo Villacero*. The closing of the \$1.5-billion deal placed the entire steel industry in the hands of the private sector, which is now dominated by four vertically integrated producers: *Grupo Acerero del Norte*, *Grupo Villacero*, *Tubos de Acero de México* (TAMSA), and *Hojalata y Láminas* (HYLSA)—the wholly owned steel subsidiary of one of Mexico's largest industrial conglomerates, *Grupo Alfa*. These four firms will account for nearly 80% of Mexico's raw steel production.

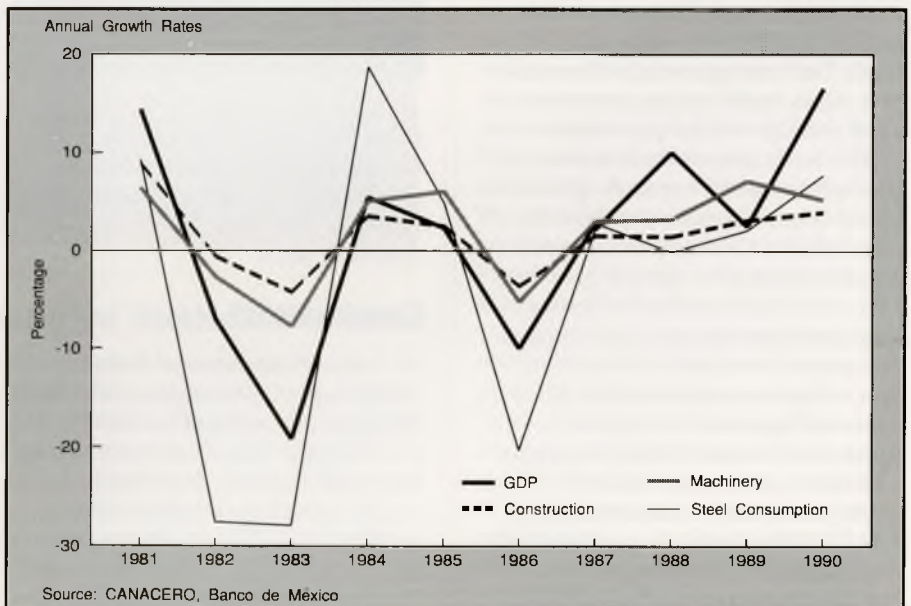
Despite their dominant position, the four leading firms will not be in the position to overcharge clients because regional free trade will prevent monopoly pricing. The domestic steel industry, however, will benefit dramatically from newly created synergies and economies of scale, the fusion of client bases, the elimination of redundancies, and accelerated modernization of technology.

In terms of technology, the US steel industry is clearly more advanced than its Mexican counterpart. Yet this observation hides two critical facts. First, production originating in outmoded open hearths plunged from 18% of total production in 1981 to 8% in 1990, yielding a marked improvement in Mexico's steel production process. Second, inefficiencies tend to be concentrated in the former state-owned steel sector. Officials of the private-sector firms are quick to point out that, through aggressive capital investment, they have mod-

INTERNATIONAL STEEL PRODUCTION TRADED ON WORLD MARKET, 1979, 1989



MEXICO: ECONOMIC TRENDS, 1981-90



ernized their plants and equipment to world standards. This strategy helped to boost the industry's average annual labor productivity during the last half of the 1980s by 38%. Furthermore, in 1990 the private sector's largest firm, HYLSA, reached an annual per worker output that exceeded the Mexican steel-industry average by 65% and the average of AHMSA—the largest mill in the former state-run sector—by 23%. This trend toward increased technological modernization will definitely continue; AHMSA's new private-sector owners, *Grupo Acerero del Norte*, have committed themselves to a \$500-million dollar, five-year technological investment program.

Technological modernization and increased economies of scale will enhance Mexico's long-term competitiveness. In the near term, moreover, growth in domestic and international demand is expected. Domestically, economic indicators point to healthy growth in gross domestic product (GDP) throughout the 1990s, with the growth rate of Mexico's steel-intensive industrial sectors exceeding that of the GDP. For example, officials at CANACERO (*Cámara Nacional de la Industria de Hierro y Acero*, the Mexican steel industry's national organization) have forecast that growth in Mexico's automotive and construction sectors will exceed GDP growth. In 1992-96 such growth could fuel average yearly increases of 6.8% in steel consumption and 8.6% growth in steel production.

Mexico is also well poised to take advantage of expanding overseas markets. Despite the "lost decade" of the 1980s, Mexican steel exports during the period grew by 14%. Ironically this export growth stemmed from Mexico's profound recession. Faced with the contraction of the domestic market, Mexican steel producers began to aggressively court overseas markets.

Export orientation has become particularly characteristic of TAMSA, Mexico's sole producer of the seamless tubes used in oil drilling. TAMSA was founded in 1952

to supply such tubes to PEMEX, the state-owned oil monopoly. The debt crisis and oil-price crash of the 1980s cut demand from PEMEX drastically, leaving TAMSA with inventory backlog, a heavy debt burden, and a choice between exporting or bankruptcy. TAMSA officials chose the former. The company is now the world's third largest producer of steel tubes, with 8.9% of the global market. TAMSA executives expect exports to rise in step with economic recovery in the US, to which TAMSA

Technological modernization and increased economies of scale will enhance the Mexican steel industry's long-term competitiveness. Both at home and abroad, indicators point to healthy growth.

ships 12% of its total production. On the domestic front, demand should expand in conjunction with PEMEX's five-year, \$2.5-billion investment plan.

Complications?

In short, Mexico's steel industry is ready to profit from growth in both foreign and national markets, and it is unlikely that a free-trade agreement will hamper its ability to do so. There will certainly be competition from US producers, but not on a scale that spells doom for Mexico. The 1980s provided in-

sight into the prospects of the Mexican steel industry in a free-trade world. Steel tariffs began the decade at an average of 50%, but ended at an average of 10%. This trend, which invited foreign firms to compete with Mexican producers, led to Mexican trade deficits in 1990 in many finished steel products, such as sheet steel.

Is this cause for worry? Not particularly. First, Mexico enjoys significant trade surpluses in other steel products, such as seamless tubes. Second, the overwhelming portion of domestic steel consumption (nearly 80% in 1989) is served by national production. Third, Mexico's steel-trade deficits tend to represent either an empty market niche (i.e. a product that is not nationally produced and must therefore be imported) or an opportunity. The opportunity arises when Mexico not only manufactures the product in question but also possesses excess productive capacity. In such cases, competitive marketing and better prices—the latter made possible by the country's drastically lower labor and transport costs—should enable Mexican steel makers to regain the market shares previously lost to imports.

This, at least, is the attitude expressed by Mexican industry analysts and steel-company officials. The main fear producers express is not about the manufacturing arena but about finance: US firms sometimes offer more flexible terms, allowing customers up to 180 days to pay rather than the full payment up front demanded by Mexican firms.

Such disparities, however, will be rectified as Mexico's steel industry and capital markets mature. Most likely the regional free-trade future will be one in which the US and Mexican steel industries concentrate on their domestic clients while exporting to each other those goods in which they enjoy a comparative advantage. In any case the prospects for Mexico's steel industry are bright. ■

Charting Cuba's Course

by Marifeli Pérez-Stable

In the face of active US opposition, the USSR and Eastern Europe provided Cuban socialism with alternative—if not always satisfactory—channels for development. These included preferential sugar and petroleum prices, low-interest loans, and soft-currency trade. These alternative channels have disappeared. Moreover, they have done so under circumstances of growing international and domestic intolerance for the one-party political system and command economy that the Cuban leadership insists are imperative for the survival of the nation and its revolutionary heritage. In short, Cuban socialism is no longer viable.

The Cuban revolution did not preempt the island's developmental course. Instead it charted a path that diverged from the capitalist one that was emerging during the 1950s. The articulation of future alternatives must not lose sight of this fact. By the same token this process must not be subverted by the old saying, "*Cuba país rico, pueblo pobre*" ("Cuba: rich country, poor people"). Cuba, under any circumstances, would not have been a wealthy country. And whatever the future circumstances, Cuba will never be a wealthy country. Whatever forms a market economy may assume in Cuba, its points of departure will be dictated by the histori-

cal realities of the island's level of development prior to 1959 and the institutional legacies of the social revolution and socialism. So far, the social revolution retains its legitimacy in Cuban society. What many Cubans are currently questioning is not the past, but rather the present and future.

Whatever forms a market economy may assume in Cuba, its points of departure will be dictated by the pre-1959 historical realities of the island's level of development as well as the post-1959 legacies of the revolution.

Labor and Transition

Given their fundamental role in making the social revolution possible in 1959, workers have occupied a special place in Cuban society over the last three decades. Their relation with state leadership, however, has not been without tension. A basic failure of socialism in Cuba, as well as elsewhere, has

been the inability to establish incentives beyond immediate material interest as the basic motivators for workers. This failure alone dictates the implementation of market arrangements of one kind or another to foster efficient production.

The transition to market arrangements, however, will have to contend with militant unionism, which despite constraints imposed by state socialism, persists to this day. For example, in 1980 the state passed a decree to strengthen administrative control over workers, but by 1985 unions had proven rather effective in defending workers against management. Of the disciplinary sanctions that workers appealed, 62% were resolved in favor of labor. Unions were generally more successful in representing workers than management was in defending its sanctions.

Since 1987 the state leadership has chastised unions for pursuing "particular" interests over those of the nation. Indeed, the politics of *rectificación* has involved a discourse on labor discipline, wages, and benefits such as vacation days—subjects reminiscent of the appeals by Cuban capitalists during the 1940s and 1950s. A major dimension of the possible transition to a market economy is the modest but growing role of foreign investment in Cuba. So far the largest concentration of such investment is in tourism, where foreign management exercises almost complete control over its Cuban employees. A key question is how workers and unions would react to the presence of foreign capital in manufacturing or agriculture—a development that would significantly change the rules of the game.

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Social Justice, Nationalism, and Transition

Given the enduring legitimacy of the social revolution, any form of market transition is likely to confront widespread Cuban sentiment in favor of social justice, defined as relative social equality. Indeed, the legitimacy crisis of the current government derives in part from the contravention of popular expectations of equity. Corruption and privilege among high public officials are long-standing sources of popular discontent, which the present circumstances have seriously aggravated.

Mass support for social justice will probably survive the status quo and find new avenues for expression. For instance, many Cubans would likely view the right to establish some forms of private enterprise and profit honestly from their entrepreneurship as a realization of their expectations of social justice. Many would define justice as being paid according to job performance and having access to goods and services commensurate with their job earnings. Perhaps many would not be unduly affronted by moderate levels of unemployment, at least if these were accompanied by economic growth and generally improving living standards. Such tolerance would be less likely to persist, however, in the face of the privatization of public health and education, a serious upturn in unemployment, and the undermining of public programs of social welfare.

A market transition would have to confront yet another enduring legacy of social revolution: Cuban nationalism in relation to the US. Now that the USSR can no longer provide the country with its previous level of support, the international underpinnings of the Cuban government's nationalist stance are precarious. Domestically, moreover, the radical elements of Cuban nationalism are losing some of their previous sustenance. Nonetheless, nationalism

remains a potent force in Cuba, and despite their differences with official leadership, most Cubans retain a well-grounded national identity. Hence they would be unlikely to applaud large-scale infusions of US and Cuban-American investment or Cuban-American efforts to recover confiscated property.

Politics and Transition

The possibility of a market transition in Cuba is not necessarily an all-or-nothing issue. The timing and terms of such a transition, as well as its lasting consequences, depend to a considerable degree on the interplay of domestic politics with international opportunities and constraints. If Cuba's current leadership is willing and able to engineer meaningful reforms, then a market transition is more likely to incorporate—in one form or another—many of the revolution's social achievements. In contrast, the continuation of the domestic leadership's resistance to significant reforms will undoubtedly bolster the position of those interests within and outside Cuba that favor the complete dismantling of the revolution's legacies. Given that a similar resistance before 1959 contributed to the social-revolutionary collapse of capitalism in Cuba, it is no small irony that the current reluctance to implement reforms could lead to capitalism's restoration.

A key element, then, is the nature of Cuba's government leadership. Fidel Castro and other high officials believe they have the right to govern the country. In light of the local origins and the organization of the regime, their rule cannot be expected to collapse as easily and peacefully as that of most communist governments in Eastern Europe. Furthermore, the Cuban government retains sufficient domestic support—a substantial minority of the population—to put up a serious fight in the event of US intervention or some similar

threat against the revolution's heritage. In short, the proposition of total rupture with Cuba's past three decades of social revolution—as espoused by the most powerful voices of the Cuban-American community and by the Bush administration—involves significant potential for bloodshed.

Under current national and world conditions, the alternative is a market transition that incorporates Cuba's widely diffused values of social justice and national sovereignty. To be sure, these values must be reconceptualized; the platform of the last three decades will not be able to serve for the next three. Still, the values of social justice and national sovereignty must not be cast aside. To do so could well undermine the long-range prospects for democracy, stability, and prosperity in Cuba.

Socialist Cuba has come face-to-face with a complex of momentous challenges. It must reorganize the economy to foster growth, the satisfaction of basic needs, and the productive employment of skilled and professional labor. It must establish meaningful avenues of political dissent. And it must come to terms with US interests within the framework of national sovereignty.

Crucial to the successful meeting of these challenges are the domestic and international politics of transition. The dominant leaders in Havana, Miami, and Washington are not yet committed to meaningful programs of reform. Whatever our perspectives may be on the future of Cuba, we should not forget that men and women do indeed make their own history, though neither as they please nor in circumstances of their choice. Today's circumstances demand that leaders on both sides of the Straits of Florida avoid getting swept away by currents of ideological rigidity. In charting the future course of Cuban development, what is called for are new coordinates of realism and imagination. ■

After Perestroika

by Anatoli Glinkin

Perestroika is over. Now begins the real liberation from the yoke of totalitarianism." Such was the sentiment on Moscow's streets during the dramatic days of August 1991, when massive citizen response to Boris Yeltsin's appeal stunningly defeated the attempted coup d'état. Mikhail Gorbachev returned from his detention in Crimea to a new country, created by the dissolution of the Soviet power structure, the rapid transition to a market economy, and the establishment of multiple independent republics.

What ramifications will this cataclysmic transformation have for Moscow's relations with Latin America? Upon his return to the post of minister of foreign affairs, Edward Shevardnadze stressed the need to reorganize the Soviet foreign service in accordance with the republics' determination to pursue their foreign relations independently. How soon this will occur depends on the ability of the republics to build foreign services with adequate organizational capacities. In any case, hard times have already arrived at the luxurious skyscraper at Smolenskaia Square, where the headquarters staff of the Russian foreign ministry faces a formidable program of restructuring and down-sizing. The organizational framework of Russian for-

ign policy may eventually produce two levels: first, a new form of state apparatus—possibly a confederation, commonwealth, or foreign-policy coordinating committee consisting of a number of republics of the former USSR—and second, an administrative machinery in the independent republics that will manage bilateral political, economic, scientific, and cultural ties.

Given the complexity of world transformations, to what degree will the new emerging commonwealth or union of independent republics play a significant role in Latin America?

As this complex transformation takes place, the significant volume of "accumulated capital" in Soviet relations with Latin America should not be overlooked. From Stalin to Brezhnev, Soviet foreign policy regarded Latin America as a battleground for Moscow and Washington. The ideology of proletarian internationalism guided the USSR's relations with actual and potential allies. The global shifts of the 1990s removed Latin America as a turf for Cold War confrontation. Relations between

Latin America and the countries of the former USSR are now developing a wider, more intricate configuration of geopolitical interests.

Still a Player?

The cooling of relations with Cuba; Moscow's prudent diplomacy toward post-Sandinista Nicaragua; the joint Moscow-Washington statement on political transition in Central America (August 1, 1991); the establishment of Soviet diplomatic relations with Chile and several other Latin American states; and the signing of agreements with Mexico for scientific and cultural exchange in 1992-93 are all evidence of this change. Given the complexity of world transformations, to what degree will the new emerging commonwealth or loose union of independent republics play a significant role in Latin American affairs?

Undoubtedly, as the ties between the other former Soviet republics and Russia attenuate, these smaller countries will lose interest in a remote continent. In contrast, Russia—either alone or in commonwealth with other Slavic republics—will continue to pursue interests in Latin America in order to maintain its traditional preeminence in the international arena. Other large republics, such as Ukraine and Kazakhstan, are busy shaping their own foreign-policy priorities. For instance, Ukraine's foreign ministry announced its intention to foster ties with Eastern Europe, the developed West, and countries with historically significant Ukrainian immigration—such as Argentina and Brazil.

Matters of "soft" diplomacy aside, what are the prospects for

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trade and economic cooperation? The joint operations of 17 Latin American business ventures include the participation of Mexican firms in the reconstruction and modernization of an oil refinery complex in Baku; a Venezuelan enterprise (along with Venezuela's Rostic International) to supply photographic, cinematographic, and video equipment; and the opening of a Moscow branch of Brazil's second largest bank, BANESPA. A sobering fact, however, is that, except for Cuba, the always minimal Soviet-Latin American commerce has plummeted still further since the early 1980s. Preliminary 1991 data indicate that trade with the former USSR accounted for less than 1% of Latin America's total for the year. Current economic conditions in the former USSR point to the continued dwindling of trade relations, particularly insofar as they require major hard-currency financing. The long-term scenario is less pessimistic, at least, in view of Russian and Latin American economic reforms, the complementary nature of their raw-material and industrial sectors, and the common obstacles they may face with respect to regional trade blocs.

The Moscow-Havana Nexus

In 1989 the Soviet government published previously classified material indicating the financial cost of Soviet aid to allied countries. Heading the list of 61 recipients—with a debt to the USSR almost twice as large as second-place Vietnam's—was Cuba. Given the USSR's economic crisis, this information provoked an acute public reaction at home, while drawing international attention to the impending consequences of *perestroika* for Soviet assistance to the Third World. The possibilities were particularly worrisome for Cuba. As subsequent events have proved, Cuba's nervousness was well-founded.

Beginning with Gorbachev's April 1989 visit to Cuba, Moscow-

Havana negotiations led to the dismantling of Cuba's privileged relations with the USSR. In August 1991 ties between the communist parties of the USSR and Cuba—the backbone of the Moscow-Havana alliance—came to an end. Moreover, a new commercial agreement for 1991 put Soviet-Cuban trade on a more balanced basis of hard currency and world-market prices. Gorbachev's September 1991 announcement of the imminent withdrawal of the Soviet training brigade from Cuba, as well as the end to both reconnaissance flights from Cuba and Soviet navy port calls there, conformed to the new Soviet military doctrine of "reasonable defense sufficiency." What is more, on October 22, 1991, a group of prominent Soviet public figures—including people's depu-

ties Urii Koriakin and Nikolai Travkin, Russian Academy of Science member Alexander Iakovlev, Russian State University rector Urii Afanasiev, and well-known Belorussian writer Oles Adamovich—appealed to Fidel Castro to initiate a political dialogue with Cuban reformists "to seek ways of leading the country out of the crisis."

The redefinition of Moscow-Havana relations is nothing less than a reflection of the fundamental transformation of the world order. On the Russian side, this involves a massive state and market restructuring at home combined with diminishing power abroad. On the Cuban side, it involves the emerging implications for the state and market of the virtual collapse of the revolution's international underpinnings. ■



The Changing Hemispheric Trade Environment: Opportunities and Obstacles

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The Venezuelan Counterweight

by Howard French

When Haiti's president, the Reverend Jean-Bertrand Aristide, was spirited to the airport after his overthrow by soldiers on September 30, 1991, the aircraft waiting to jet him into exile was sent not from traditionally influential Washington or Paris but from Caracas. In a gesture that speaks volumes about Venezuela's increased diplomatic presence in the Caribbean, President Carlos Andrés Pérez dispatched his personal plane to carry Aristide into exile in the Venezuelan capital.

Using Venezuela's vast oil reserves, plus the yearnings of many for a counterweight to the US in a region composed of tiny islands, President Pérez has deftly brought his country into the hemisphere's select circle of diplomatic powers. Venezuela has more foreign embassies and cultural centers in the Caribbean than any other country, including the US. And with few exceptions, each of the region's islands relies upon an arrangement co-sponsored by Venezuela and Mexico—the San José Accord—that helps them finance vital oil imports. Although oil is its strong card, the leverage of Caracas in the region is hardly limited to sales of petroleum products. A good illustration of Venezuela's diplomatic resourcefulness is its response to US trade policies.

In 1990 the US sent ripples through many of the Caribbean's paper-thin economies by announcing its ambitious free-trade pro-

gram, the Enterprise for the Americas Initiative (EAI). Although EAI offers incentives on foreign debt and other economic matters, many leaders developed a sense of foreboding over the new initiative's effects on their tattered economies.

Using the country's vast oil reserves, plus the yearnings of many for a counterweight to the US in the Caribbean, Carlos Andrés Pérez has maneuvered Venezuela into the hemisphere's select circle of diplomatic powers.

Under the previous Caribbean Basin Initiative, which the new initiative will supplant, the region's exporters had enjoyed special access to the US market while giving up little in return. Under EAI, US goods could come knocking at the doors of Caribbean economies that would be largely unprotected by trade or tariff barriers. Venezuela's response was to grant five years of duty-free entry for Caribbean products into its own booming econ-

omy. Many figured the eventual payoff would be greatly increased access to the region for Venezuela's own burgeoning industrial sector.

"The Caribbean risks becoming the most destabilizing factor in all of Latin America, because these countries can be subject to undesirable interests," President Pérez said in an interview at the presidential palace. In the same interview, he denied that commercial interests were the driving force behind his regional trade program. "I am speaking about narco-traffickers and all sorts of economic mafias that prey upon weak countries like these. Our policy is aimed at assuring the stability of the region, which will help assure its development."

Venezuelan commentators, on the other hand, point out that healthy doses of self-interest—as well as Pérez's well-known fondness for international diplomacy and statesmanship—figure prominently in the country's activist foreign policy. "Obviously commercial interests play a big part too," said Andrés Serbin, director of the *Instituto Venezolano de Estudios Sociales y Políticos*, "but there really is a great concern for the political stability of the region. Virtually all of our imports and oil exports pass through these waters."

Pérez, Aristide, and Democracy

Following the overthrow of Aristide, Pérez became one of the most ardent advocates for the Haitian leader's return to power. Not only did Pérez provide an aircraft for Aristide's trips throughout the region, but he hinted at a readiness to commit the Venezuelan military

Howard French writes for the New York Times.

to help reinstate Aristide as Haiti's president.

Brushing off the domestic criticism his activism has invited from columnists and political rivals—and that, ironically, provoked Venezuela's attempted coup of February 3, 1992—Pérez invoked a specific historical debt, as well as what he said was a fear for democracy elsewhere in the hemisphere should a coup against an elected leader be allowed to stand. "Simón Bolívar, our great liberator, received important aid from Haiti and yet we in Latin America have done little to help this country, which is now the most backward in the hemisphere," Pérez said, referring to two of Bolívar's sojourns in Haiti in the early nineteenth century. Haiti, the second independent nation in the Americas, had opened its doors and treasury to the South American rebels at a time when all others

Pérez pointed to a fear for democracy elsewhere in the hemisphere should the coup in Haiti be allowed to stand.

proclaimed their neutrality. But Pérez also appeared moved by the struggle of the Haitian people. "After a history of abominable dictatorships, the first election that was authentically free gave us Jean-Bertrand Aristide," Pérez said. "If

you were present you saw the explosion of popular satisfaction when he took power, people running in the streets with joy. That was an experience that few of us can match."

Nonetheless, Pérez is not totally sanguine about Aristide's tactics. "It is evident that President Aristide thought the use of the masses in the streets would enable him to reach his political objectives," Pérez said, commenting on charges that the Haitian leader had used crowds and the threat of violence to intimidate his opponents. "This was one of his errors. Direct democracy has not worked anywhere in the world. What is of crucial importance, though, is that we in Latin America cannot accept anymore military coups. After all the dramas we have gone through, that would be fatal for our region." ■

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Brazil's Reeling Film Industry

by Victoria Griffith

When Brazilian filmmakers gathered in Brasília last summer for the 24th annual Brazilian Film Festival, most felt confident they would walk away with a prize. This was not idle conceit. Only four feature films were in the running.

Since President Fernando Collor de Mello withdrew government support for the industry in 1990 as part of a program to bolster the country's reeling economy, Brazilian films have become an endangered species. São Paulo—which in the heyday of Brazilian cinema turned out some 80 films a year—produced just a handful in the past two years. "The Brazilian film industry will soon cease to exist," said Guilherme de Almeida Prado, a São Paulo-based producer and director.

Twenty years ago, Brazil wowed the international film world with its sophisticated *cinema novo*, a Latinized version of the French new wave movement. The boom—characterized by such films as *Pixote*, *Xica da Silva*, and *Bye, Bye, Brazil*—lasted through the 1980s. During that time the country also became known for its *porno-chanchadas*, erotic comedies.

Despite heavy censure by the military government, Brazilian cinema developed a strong political voice. Producers tried to buck the conservative regime with reels of soft pornography. In more sophisticated films they cloaked

criticism of the government with subtleties and symbols.

Protectionist Policies

Yet it was the protectionist policies of the military government that allowed the industry to thrive. Until 1990 federal regulations forced Brazilian cinemas to show domestic films at least four months a year. The state-owned agency *Embrafilme* controlled nearly all distribution in the country and provided financing for hundreds of producers. In 1990, however, the Collor government did away with *Embrafilme*—and the regulations—when it became apparent that there were not enough Brazilian films to fill theaters four months a year. Brazilian producers were left not only without funding for their projects but without a distribution vehicle. "The government created a monopoly, then took it away, leaving a very big hole in the market," said Hugo Sorrentino, director of *Arte Filmes*, one of only two companies in Brazil that still distribute Brazilian films.

If filmmakers here want to survive, it is becoming clear they will have to adopt a new, more commercial approach. "In the past, Brazil produced almost no entertainment films," said São Paulo producer Ricardo Pinto e Silva. "In a poor, unsophisticated market like Brazil, I believe that's the only kind of film that will make money."

US Films Preferred

A study conducted by *Embrafilme* shortly before its demise found that most Brazilians see domestic films as pornographic or too intellectual to understand. Moviegoers

by far prefer light adventure and comedy films from the US.

It was this observation that led Pinto e Silva and his director, Marcos Caruso, to put up \$650,000 of their own money to produce *Sua Excelencia, O Candidato* (*Your Excellency, the Candidate*), a light farce about political corruption in Brazil that premiered in the fall of 1991. But many of Brazil's directors, schooled in intellectual filmmaking, flatly refuse to follow suit. "I think I will try my luck abroad," said Almeida Prado. "I'm not interested in making cheap comedies."

The problems facing Brazil's film industry go deeper than moviegoers' tastes. Some result from Brazil's battered economy. Few Brazilians, for instance, can afford the price of a ticket—currently about \$1.50. "In a country where the vast majority of people have a hard time paying for food and rent, cinema is clearly an unnecessary luxury," Sorrentino said. Furthermore, said Pinto e Silva, "with so much violence in the cities, most people would rather watch a video at home. Cinema is mostly for the lower middle classes."

There is hope, however. The country's national development bank, for instance, is studying the possibility of offering special funding options to filmmakers. And several state and municipal governments plan to offer grants and tax breaks to the industry. Some filmmakers say Brasília, which is offering the strongest tax incentives, may become Brazil's version of Hollywood. ■

Editor's Note: Adapted with permission from an article published in the Miami Herald, August 11, 1991.

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Insider briefs on people and institutions shaping Latin American and Caribbean affairs

Toward a Baltic Caribbean?

An *Agence France Presse* (AFP) report from Colombia (December 20, 1991) points to a Latin American version of the disintegration of the Soviet empire. According to the report, a bicameral group of Colombian legislators is threatening to create an "Independent Republic of the Caribbean" in response to the absence of Atlantic Coast representation in senior positions of the Colombian government's executive branch. Signatories to the demand include senators and deputies from the departments of Atlántico, Bolívar, César, Córdoba, Guajira, Magdalena, Sucre, and the island of San Andrés. The movement is apparently led by president of the senate and *Partido Liberal* member Carlos Espinosa.

Collision Course?

The weak US economy and growing unemployment, along with coming elections, will impose strong protectionist pressures on the US Congress in 1992. These pressures do not bode well for the two major trade bills Congress may face before summer. The Uruguay Round of the General Agreement of Tariffs and Trade (GATT)—if approved in Geneva by April 1992—could arrive for Congressional review about the same time as the North American Free Trade Agreement (NAFTA)—which could be ready for formal Congressional review as early as March 1992. This timing could unite the

Edited by Mark B. Rosenberg

efforts of anti-GATT and anti-NAFTA protectionists and possibly block both trade agreements, leaving George Bush's much-questioned international trade policy in further disarray.

Beyond the Middle Passage

The Caribbean/African Dialogue (CAAD) was recently established to promote dialogue and contact among peoples of African descent throughout the Americas. The organization was founded by North American and Caribbean participants in the Continental Consultation on Racism in the Americas and the Caribbean, which was held in Rio de Janeiro in September 1990. CAAD's major upcoming activity—a conference on "Survivors of the Middle Passage: Affirmation and Change"—is scheduled for August 10-15, 1992, in Nassau, Bahamas. The conference will focus on strategies to address the common economic and social issues affecting black communities throughout the Americas.

Maybe It's the Music

Rubén Blades, Panama's talented musician, is now an officially registered candidate in the country's presidential race. Known for his role in the movie *Milagro Beanfield War*, and for his albums *Buscando América* (Elektra, 1984) and *Nothing but the Truth* (Elektra, 1988), Blades's political life may be short-lived. According to a public-opinion poll released by Gallup-affiliated pollsters in September 1991, only 29% viewed Blades's

candidacy favorably while 32% looked on it as unfavorable. The latter figure is hardly worse than that of the widely opposed current vice president and former justice minister Ricardo Arias, who earned a 33% negative rating.

You Are What You Eat, but Why?

Why We Eat What We Eat (Summit, 1991) is a new book written by Raymond Sokolov, editor of the leisure and arts page of the *Wall Street Journal*. Claiming that Christopher Columbus is the most important figure in the history of food, Sokolov shows how the idea of culinary authenticity ignores the 500-year revolution in food history that began with Columbus. The author has a particularly delightful analysis of the evolution of the sauce *mole poblano*, which can be traced to a sixteenth-century convent in Puebla, Mexico.

CAP Call Home

In the wake of Venezuela's violent but aborted coup attempt on February 3, 1992, against Carlos Andrés Pérez, the president is being criticized for, among other things, too much travel. Since his inauguration in February 1989, Pérez has made some 51 trips abroad. Indeed, the ill-fated revolt came just hours after he returned from a trip to Switzerland, where he addressed the World Economic Forum about the Venezuelan "economic miracle." The real miracle is that the aging social democrat survived the military assault on *La Casona*, his residence in eastern Caracas.

What Tastes like Lobster, Chicken, and Frog Legs?

Brazilian alligator. In response to the growing concern for alligator poaching in Brazil, researchers there have developed a reptile farming system that yields high-quality hides and a tasty meat that has been compared to lobster, chicken, and frog legs. The technology was developed by researchers from the Federal University of Matto Grosso do Sul and the *Instituto Brasileiro do Meio Ambiente e Recursos Naturais Renováveis* (IBAMA), Brazil's institute for renewable resources and the environment. Initially about 1,500 hides will be exported to Japan, where there is a growing market for alligator leather (*Journal of Commerce*, July 11, 1991).

"Milestone" or Millstone?

Mexico's new laws protecting trademarks, patents, and copyrights are now being used by US trade negotiators as models for other Latin American countries to follow. Even the UN's World Intellectual Property Organization called the far-reaching patent law a "milestone." The law is stronger than those of some developed countries, including Canada. For some Latin American countries, Mexico's efforts set an uncomfortable precedent because of the favorable terms and conditions set for multinational enterprises. For example, one Andean source reports that US trade representative Carla Hills is decidedly unhappy about Peruvian president Alberto Fujimori's new intellectual property law and is

telling that country that the law needs to be strengthened along the lines of the Mexican statutes.

From Mole Poblano to Creole Gumbo

Although the higher education community has long regarded Mexico as an important site for dissertation research, there have been few serious cross-border exchange programs. All this is changing with the North American Free Trade Agreement. The latest example, according to the fall 1991 issue of *International Educator*, may set a new competitive standard in US higher education circles. According to the report, the government of Mexico and Tulane University have negotiated a multiyear cost-sharing agreement to bring Mexican professors to the New Orleans institution to pursue graduate studies. The agreement was facilitated through the offices of Mexican minister of education Manuel Bartlett, a Tulane graduate.

Salsa a la Japonesa

Orquesta de la Luz, an all-Japanese salsa band, has released its second album, *Sin Fronteras* (Sony Discos). One of the album's numbers, "*Descarga de la luz*," highlights a guest appearance of mambo master Tito Puente, who, according to one review, provides a "smoking timbale solo" (*The Miami Herald*, October 2, 1991). *Sin Fronteras* is a sequel to the band's first album, *Salsa Caliente del Japón* (1990).

Trust Me, I Heard Him Say It

Since former New York Yankees owner George M. Steinbrenner III was banned from baseball, the Tampa-area resident has been doing some traveling. Last December, speaking to a group of Tampa business leaders about his summer 1991 trip to Cuba, the wealthy shipbuilder startled many in the audience with his off-the-cuff (and some would say, off-the-wall) observations. Steinbrenner's rambling presentation touched on many topics—maybe too many. On the Cuban people: their "intelligence is second to none" and "they are happy people . . . to an extent." On Cuba in general: it's "still a great, great resort area." And on Fidel Castro, "he saluted during our [the US] national anthem." Only one Cuban encounter daunted the irrepressible Steinbrenner, a memorable Cuban restaurant that featured only rabbit, "I stayed about three minutes . . . I couldn't think about eating that poor bunny."

Worth Reading

The Conquest of Nature, 1492-1992 is the theme of NACLA's fall 1991 *Report on the Americas*. The volume is a comprehensive analysis of the environmental impact of the conquest, focusing on the Europeanization of New World flora and fauna, the impact of mining on food security, the transformation of the Caribbean and Brazil from dense forests to "seas of sugar cane," and the razing of Central American primal lowland tropical forests to make way for pesticide-intensive cotton.

Latin America's New Right

by Rosario Espinal

Economic and social reorganization in Latin America and the world involve political reorganization as well. What are the consequences for the redefinition of "right" and "left" in Latin American politics?

In today's restructuring world, deciding what is "right" and "left" in the realm of politics can be a challenging task of conceptual redefinition. It is no novelty to observe that political concepts lack fixed meanings—that they are inherently relational and constantly shifting. Nonetheless, this point is crucial to comprehending the contemporary transformation and electoral potential of the Right in Latin America. Given the worldwide collapse of "modern" institutional structures and the rise of "postmodern" ambiguities in their place, the fundamental problem lies in choosing the criteria to identify the Right in contemporary Latin American politics: does the Right simply refer to the political agenda of the dominant class, whether we call it the business, capitalist, or upper class? Does it refer instead to a complex of ideological traits? And does it always stand on the side of conservatism?

Compared with Western Europe and the US, Latin America's tradition of economic and political liberalism is weak. Moreover, its political history features the mili-

tary, in the form of either caudillos or an institution, as a governing force. These facts make it relatively easy to equate the Right with military regimes—at least those that have been devoid of distinctive socialist or populist programs—

Two major changes have had far-reaching implications for the Right: the transition to democracy and the ideological ascendancy of neoliberalism.

and to portray the Right in the broadest political strokes. Thus, the military juntas that governed Argentina, Brazil, Chile, and Uruguay in recent decades are commonly viewed as more or less homogeneous political phenomena of the Right.

While such dictatorships were indeed staunchly anticommunist and brutally repressive, it would be difficult to maintain that their economic policies were homogeneous. For example, while Brazil's military juntas promoted a statist development program, the Chilean dictatorship of General Augusto

Pinochet pursued a policy of massive privatization. Furthermore, the leading business factions did not support these regimes unconditionally, but withdrew their support whenever they regarded state policies as unfavorable to their interests.

During the 1980s two major changes in Latin America had far-reaching implications for the Right as a political force, as well as for its centrist and leftist competitors. The first change was the transition to democracy. The second was the ideological ascendancy of neoliberalism.

The transition to democracy forced the Latin American Right to compete electorally, while the worldwide ascendancy of neoliberalism provided new ideological points of reference. These regional and global shifts have spurred analysts to differentiate among Latin American political forces using a wider, more nuanced spectrum of ideological issues, in addition to those forces' traditional stances on matters such as civilian versus military governance.

The Neoliberal Right

It would seem correct to assume that free-market principles would be welcomed by Latin America's dominant business interests. After all, ideas of state intervention in the market are intimately linked with the socialist tradition, as well

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as the Keynesian principles of mid-twentieth century development policy. Yet capitalists in Latin America flourished under the protection of interventionist states. Hence comparative evidence indicates that business groups linked to highly protected and subsidized manufacturing for domestic markets have by no means embraced neoliberal policies such as free trade, fiscal austerity, and privatization.

A related point is that neoliberal policies are not home grown, but rather were formulated and promoted by multilateral agencies like the International Monetary Fund and the World Bank. Indeed, consistent with long-standing politics, the early responses of many Latin American governments to the economic crisis of the 1980s were distinctly statist, as exemplified by bank nationalization in Mexico and Peru. In providing a highly visible domestic target, such aggressive statism was a catalyst to the recent development of Latin America's Right.

Finally, adding fuel to the political reaction of the Right in Latin America was the growing strength of its counterpart movement in the US and Western Europe. Inasmuch as these domestic and international forces coincided with the onset of democratization in the region, neoliberalism was endorsed by civilian movements and organizations that sought to compete electorally.

The core of neoliberalism is the belief that the market, not the state, is both the source of wealth and the most efficient mechanism for the allocation of wealth. In Latin America two other beliefs came to define neoliberalism in the 1980s. The first is the idea that poverty and underdevelopment are

consequences not of dependency on foreign capital but of Keynesian economic policies that misguidedly promoted import-substitution industrialization instead of export-oriented integration with the world market. The second is the idea that "informal" entrepreneurs—small merchants and producers who operate outside the bounds of state regulation—hold a key to economic development and prove the validity of free-market doctrine.

Latin American neoliberalism stresses that underdevelopment is a consequence of import-substitution policies and that "informal" entrepreneurs hold a key to economic development.

Given the heavy weight of statist ideologies and policies in Latin America, these ideas are not "conservative" in the commonly understood sense of seeking to maintain the status quo or restore traditional institutional arrangements. In fact they were quite innovative, particularly the portrait of informal entrepreneurs as effective agents of economic development. In the setting of economic crisis and political democratization, these ideas found a ready market in Latin America, not only within some segments of the business class—espe-

cially those linked to international markets—but among the middle classes as well. Moreover, Latin American intellectuals like Peru's Hernando de Soto have spread the neoliberal message to poorer groups as well, by portraying "informal," or small-scale, merchants and producers as aggressive and skillful entrepreneurs in a free market.

The Electoral Scenario

While in the 1980s the political climate of Latin America became more favorable to neoliberalism, the electoral performance of the neoliberal Right has fallen far short of the expected potential. The starting point for assessing the electoral performance of the neoliberal Right is the comparative weakness of the liberal tradition in Latin America and the historic centrality of the military in the region's right-wing politics. As a result, the Latin American Right has lacked political organizations capable of competing for a sufficient piece of the electoral pie.

Nowhere in Latin America is there a political party equivalent in strength of the Conservative Party in Great Britain or the Republican Party in the US. For instance, the *Partido de Acción Nacional* (PAN) in Mexico and the *Unión Central Democrática* (UCD) in Argentina are small regional parties that are no match for the traditionally popular-nationalist *Partido Institucional Revolucionario* (PRI) in the former country and the *Partido Peronista* in the latter. To cite another example, the 1989 presidential candidacy of neoliberal Mario Vargas Llosa in Peru was based on a loose coalition of various political organizations.

Furthermore, the New Right has found itself competing electorally with powerful parties that, as the economic crisis restricted policy options, have appropriated neoliberal ideas that are alien to their political traditions. Clear examples of this trend are the PRI in Mexico and the *Peronistas* in Argentina, based on the electoral and policy performances of Carlos Salinas de Gortari in the former and Carlos Menem in the latter. Thus, after a strong showing in local elections in 1983 and 1985, the PAN received only 17% of the vote in Mexico's national election of 1988—in part due to the emergence of the leftist *Partido Democrático Revolucionario* as a second alternative to the PRI. In Argentina the UCD received only 7% of the vote, in spite of expectations that it would do well.

A related stumbling block for the Right has been the narrowness of its political agenda. The electoral campaigns of neoliberals have emphasized the themes of market reactivation and market-based recovery of living standards. In so doing they have failed to address the noneconomic issues—such as family, religion, and ethnic and national identity—that have been essential to the electoral gains of the neoliberal Right in the US and Western Europe.

The Emerging Scenario

Such obstacles aside, the New Right enjoys a major advantage over competing political interests: the statist approach to development, at least as practiced in Latin America until the onset of economic crisis in the 1980s, no longer seems viable. The key reasons are the globalization of production, the magnitude of the external debt, the collapse of communism, the evaporation of international lending sources, and the worldwide ascendancy of neoliberalism. These conditions should be electorally promising for the neoliberal Right. Nonetheless, in a setting that combines democratiza-

tion with underdeveloped capitalist economies, the capacity of neoliberals to fill the existing political vacuum is restricted by their narrow agenda and weak party organization, as well as the fact that neoliberal policies were initially imposed from abroad. Moreover, some of the neoliberal themes, such as privatization, free trade, and fiscal prudence, have already been incorporated by populist parties like the PRI and the *Peronistas*, thereby serving them electorally at the expense of the neoliberals.

In any case, we should not underestimate the extent of change among the factions of the Latin American Right—insofar as they have adopted neoliberalism and begun to operate within the democratic framework of civilian institutions. Neither should we underestimate the Right's potential for growth. In the years ahead

Latin America is likely to witness competition among various rightist forces. If electoral democracy survives—leaving the militaristic Right in the background—competition within the New Right is likely to pit the secular, internationalist neoliberal wing against its traditionalist (including religious) and nationalist counterpart. While these movements will endorse free-market ideas in common, they will differ strikingly in terms of their social agenda.

The transformation of the Right has implications for the Left as it struggles to redefine its identity and agenda in the face of restructured regional and global conditions. Neither the market message of the Right nor the electoral route it has adopted are irrelevant to such struggles. In Latin America as elsewhere, political definitions of “right” and “left” are relational and shifting indeed. ■

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Remaking the Left

by Marcelo Cavarrozi

For Latin America's Left, the end of communist regimes in the USSR and Eastern Europe has accelerated an ideological and political crisis shaped largely by the restructuring of Latin American economic, social, and political conditions. By the late 1980s Latin America's Left was already immersed in a losing battle. Its various segments demanded a return to statist development policies and the reconstitution of the heroic social actors—the working class, the peasantry, and the urban poor—who were the presumed builders of socialism. In fact, both the social composition and political orientation of workers, peasants, and the poor were in the midst of fundamental transformations, leaving the Left with a conceptually antiquated and politically ineffective framework of ideology, analysis, and action.

The evolution of the current crisis of the Latin American Left encompasses various components, from grassroots movements and parliamentary options to millenarian violence and guerrilla armies. A clear trend, though, has emerged. With a few exceptions, leftist militarism—like its counterpart, rightist authoritarianism—has given way to a posture of political tolerance and negotiation. Underlying this convergence of Left and

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Right is the recognition that, in a restructuring region and world, the two sides face a common enemy: a potentially ungovernable economy that threatens to undermine socialist and capitalist regimes alike. However salutary this convergence may be, its cost has been the erosion of credible political vision and organization for the region's urban and rural poor.

Underlying the convergence of Left and Right is the recognition that they face a common enemy: a potentially ungovernable economy.

Grassroots Movements

Latin America's grassroots Left entered the political arena seriously in the 1970s. Typically it associated itself with popular movements arrayed against authoritarian governments and their subordinate organizations—such as state-sponsored labor unions—as well as against other powerful social institutions like the Catholic Church. Examples of the grassroots Left include ecclesiastical "base" communities and political parties such as the *Partido dos Trabalhadores* (PT) in Brazil and some segments of *Izquierda Unida* in Peru. Common among the divisions of the grassroots Left is a belief that participatory democracy is the only authentic form of democratic practice. This belief regards the

state, whether authoritarian or democratic, as inherently evil and civil society as inherently virtuous.

In practice the grassroots Left confronts a basic dilemma. On the one hand, it faces the same opportunities and constraints that other political entities face. Thus, to improve their chances for political success, grassroots organizations have had to resort to the very practices they criticize—negotiation, compromise, and, ultimately, the postponement of popular demands. On the other hand, the disorganization of Latin American states in recent years has weakened the institutional channels of participation in civil society, such as trade unions and neighborhood associations. The usual result has been a dwindling participation by rank-and-file citizens in politics. Consequently, instead of the massive grassroots mobilization envisioned by the leadership, the process of participatory democracy is perverted by left-wing militants, as exemplified by the political dynamics of the PT in Brazil. The Trotskyist sects that coexist within the PT have infused its platform and rhetoric with a militancy that has alienated the majority of the party's supporters.

Millenarian Violence

Peru's *Sendero Luminoso* is the foremost example of millenarian violence: a virulent form of armed warfare, which revolves around an apocalyptic vision of the destruction of an oppressive status quo and the construction of a utopian order. As Peruvian sociologist Carlos Ivan Degregori has argued, *Sendero* is neither an Andean nor a pre-modern movement. Rather it

articulates an ideology and pursues a practice that negates reality. At the same time it tries to solve the ambiguities and bottlenecks of Marxism-Leninism "with the sword." In a much more limited fashion Colombia's *Ejército de Liberación Nacional* (ELN) has resorted to some of *Sendero's* tactics. Actions of extreme cruelty, commonly directed against the very masses these movements claim to represent, are often combined with the most irrational varieties of terrorism. The best example of this was the ELN bombing campaign against Colombian oil pipelines, the main result being a major ecological disaster.

Millenarian violence thrives in the context of the advanced degree of state decomposition and societal polarization represented by Peru. It offers not a credible image of the future but a redemptive retreat into a primitive, and highly authoritarian, collectivist utopia.

Guerrilla Armies

Barely a score of the guerrilla movements survived the 1970s. From the Southern Cone to the sierra of Guerrero, Mexico, the guerrillas were effectively wiped out by military forces that resorted to every legal or illegal method available in their "war without battles." Even so, the principal obstacle to the guerrillas may not have been the military, but rather the indifference of the masses. In the early 1970s, however, a guerrilla movement seized on a course that may have been its best, and possibly only, chance of survival. Teodoro Petkoff, a Venezuelan guerrilla leader, negotiated an amnesty whereby his guerrilla army exchanged its weapons for the opportunity to run for elective office. Thus was born the *Movimiento al Socialismo* (MAS)—Venezuela's third leading political party.

Colombia is the most recent example of the incorporation of guerrillas into parliamentary life. During the 1980s Colombia experienced a resurgence of the political

violence that, historically, has periodically plunged the country into virtual anarchy. Chief among the major players was the *Movimiento del 19 de Abril* (M-19) (whose name derives from the date of the 1970 presidential election, when—it is alleged—the former populist dictator Gustavo Rojas Pinilla was fraudulently denied victory).

The expansion in guerrilla activity was not the sole contributing factor in the resurgence of political violence in Colombia. Indeed, the cruelest and most spectacular episodes of terrorism and assassination were engineered by drug cartels—particularly the Medellín group—and by cartel-sponsored paramilitary groups that specialized in hunting down left-wing leaders and activists. With the failure of the pacification efforts of President Belisario Betancur (1982-86), lawlessness spread, and the declaration of an all-out war against the drug cartels by President Virgilio Barco Vargas (1986-90) merely incited the cartels to carry out a series of lethal retaliations. Nonetheless, during the last year of Barco's administration and the first year of the current administration of President César Gaviria, negotiations led to the incorporation into parliamentary politics of not only M-19 but also *Ejército Popular de Liberación* and *Quintín Lame*. Moreover, M-19 president Antonio Navarro Wolff joined Gaviria's cabinet as minister of health, before heading the list of M-19 candidates that scored an impressive victory in the elections for the constituent assembly. Alongside Gaviria's faction of the *Partido Liberal* and a faction of the *Partido Conservador*, M-19 became one of the three major parties that drafted Colombia's new constitution, which went into effect in July 1991. During the same year Colombia's guerrilla movements in general entered into negotiations with the Gaviria administration. This shift was based on the inclusion of M-19 into mainstream politics and the realization on the part of guerrilla leaders that they faced

a no-win situation. The negotiations, however, do not seem promising.

In Colombia as well as Venezuela the incorporation of guerrillas into mainstream politics is intertwined with the wider dynamics of democratization. El Salvador, where a peace agreement was forged between the *Ejército Farabundo Martí de Liberación Nacional* and the government of Alfredo Cristiani in early 1992, is the exception to the trend. Given the apparently unchecked political power of the Salvadoran military, the most likely result of the agreement—if it succeeds at all—will be the physical survival of the guerrilla movement rather than democratization. It seems highly unlikely that over the long run the Salvadoran military will acquiesce to sharing power with left-wing groups.

Parliamentary Options

In the early 1990s those sectors of the Left that unequivocally chose the parliamentary course follow one of three distinct paths. The first is one of broad left-wing coalitions that have attained political power but have failed to advance policies that significantly differ from those implemented by conservatives. The foremost examples are the coalition governments of Jaime Paz Zamora in Bolivia and Rodrigo Borja in Ecuador. On the one hand, the failure of these left-wing coalition governments to advance a reformist agenda reflects the constraints imposed by the international politics of debt and economic crisis. On the other hand, however, it reflects the fact that access to political spoils has become the overriding objective of the erstwhile reformers in Bolivia and Ecuador.

The second path is that of those parties that have focused on promoting the democratization of their national political systems. Principal examples include Mexico's *Partido Revolucionario Democrático* (PRD) and Paraguay's

Independientes. Recent electoral results, however, suggest that Mexico's PRD and Paraguay's *Independientes* are on the downswing. In any case, democratization stands at the top of the agenda for both parties, which partially explains their lack of success in dealing with economic restructuring.

The third path is that of renovation of the Left, as epitomized by the efforts of two Chilean parties, the *Socialistas Renovados* (SR) and the *Partido por la Democracia* (PPD). As the leading parties of Chile's "New Left," SR and PPD recognize that the key to attaining power in the post-authoritarian era is building a multiparty system embracing a significant range of currents. In Chile, as well as in countries like Argentina and Nicaragua, right-wing groups are starting to renounce authoritarian options in favor of party-based action through parliamentary avenues. In that setting, left-wing groups such as SR and PPD in Chile have come to view the construction of a multiparty system as a way of extending a political "safety net." The goal of this effort is to weave popular interests into a pluralist political fabric of negotiation and compromise and to prevent a resurgence of authoritarianism.

From this perspective, the consolidation of democracy requires that a multiparty system provide credible alternatives to conservative interests and policies as a means of building majority coalitions. A basic challenge, then, is to devise left-wing alternatives to neoliberal economic policies. From the standpoint of the parliamentary Left, those alternatives must revolve around measures to reincorporate the segments of the population excluded under neoliberal policies from mainstream employment and consumer markets.

Anticipating the Future

Over the last decade the process of differentiation within the Left has accelerated, based on varying re-

sponses to regional economic crises, the exhaustion of statism as a development model, and domestic political transitions. The traumatic experience of authoritarianism, together with the learning process that democratic transitions imply, has inspired a commitment to political democracy within most sectors of the Left. Mostly by accident, this process has coincided with crises in the communist world and in the very definition of socialism itself.

The "mainstreaming" of the Left is not without cost: the unraveling of its ties with oppressed groups.

Associated with the current wave of Latin American democratization is a considerable degree of political stability. One of the underlying reasons is a substantial convergence of political currents of the Left and Right. For the most part, both sides have progressively rejected appeals to violence and increased their tolerance of each other. Thus, not only the militaristic tendencies of the Left but also the authoritarian tendencies of the Right have greatly loosened their grip on Latin American politics. It would be premature indeed to regard this trend as a sign of the consolidation of democratic rule. Nevertheless, it could well indicate an irreversible process of political redefinition that increases the probability of long-range democratic consolidation.

An epoch, which began during the depression of the 1930s, has ended. During that time Latin American politics revolved around the polarization of the Left and Right. In contrast, in this newly inaugurated era of democratization the most serious threat—not only to democracy but to political sta-

bility of any kind—is the potentially ungovernable economy. Against this backdrop, the growth of the Left's electoral participation has certainly legitimized its political standing.

An electoral victory by the Latin American Left does not, however, guarantee an increase in political stability in all instances. For example, what would have happened in Brazil had Lula won the country's last presidential election? Or, turning to a case with a much more solid democratic tradition, what will happen in Uruguay if the presidential candidate of the *Frente Amplio* wins that country's upcoming election? In such an eventuality, the complete loyalty of either country's armed forces to constitutional standards is highly improbable. Nonetheless, a qualitative shift has occurred. Perhaps the best demonstration of this is the political stability of both Bolivia and Ecuador after their current presidents won their offices on the basis of left-wing coalitions. Even more surprising is the case of Paraguay, where in 1991 a government strongly influenced by the military accepted the triumph of an independent left-wing candidate in the mayoral election of Asunción.

Still, the political "mainstreaming" of the Left is not without cost: it has contributed in fundamental ways to the unraveling of the historical knot binding the Left to oppressed social groups. Not only has the electoral and parliamentary participation of the Left promoted the weakening of its ideological initiative and popular credibility. In addition, it is leaving the growing ranks of urban and rural poor to fend for themselves—not in the mainstream political arena with long-term agendas, but in the survival mode of everyday life. The task of articulating a viable, new vision that will include the masses, and the long-range costs of failing to do so, are critical to both the future of the Left and the prospects of equitable development and democratic governance in Latin America. ■

Solidarismo and Organized Labor

by Steve Levitsky and Tony Lapp

Global economic restructuring is undercutting organized labor in Latin America and the world. In posing a particular challenge to mainstream trade unions, the rapid growth of solidarismo in Costa Rica is forcing organized labor to consider innovative ideas on workers' rights and union strategies

Solidarismo, an alternative labor movement that eschews strikes in an effort to promote worker-owner harmony, swept across Costa Rica in the last decade, growing from 98 "associations" in 1979 to more than 1,200 by the end of the 1980s. The movement's membership of 170,000 now surpasses traditional organized labor's 150,000 members. In the 1990s, an era of structural adjustment and austerity, *solidarismo* stands poised to establish itself as the dominant organizer of Costa Rican workers, threatening to marginalize traditional labor unions altogether. Labor leaders claim the *solidarista* movement is funded and promoted by big business as a way of destroying unions. *Solidarista* leaders, on the other hand, argue that traditional labor tactics are antiquated and ineffective, and that *solidarismo* represents a modern alternative for improving workers' lives.

Solidarista Associations

Solidarista associations are formed by a minimum of 12 employees of a business or enterprise and are

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administered by a board of directors, elected by workers from their own ranks. Management may have a voice on the board through an appointed proxy, but it has no vote. Associations are financed by the withdrawal of between 3% and 10% of workers' salaries and a matching employer contribution. This contribution costs employers little, as they can deduct the amount from an 8.3% payroll tax that would otherwise go into a workers' severance pay fund. Diverting this tax money from the severance pay fund directly into association hands provides *solidaristas* with a substantial amount of working capital. The national *Movimiento Solidarista Costarricense* (MSC) currently controls about \$30 million.

Using these combined worker-owner contributions, associations offer their members benefits that worker-funded labor unions cannot provide. Such benefits include services such as housing and medical assistance, subsidized company stores, lunch programs, and sports and cultural activities. In addition, the *Banco Solidarista*, established in June 1991, will strengthen savings and loan programs already provided by individual associations.

Solidarista associations seek to "convert workers into property owners" by purchasing company

stock or creating independent, worker-owned companies. Despite the stated aim, *solidarismo's* widely publicized attempt to foment "popular capitalism" has yet to show much in the way of concrete results. To date, not a single *solidarista* association has become a controlling shareholder of a company, and few have created businesses of their own.

In return for management's financial contribution, *solidarista* associations give up collective bargaining rights, including the right to strike. Without recourse to such pressure tactics, association boards negotiate "direct agreements" with employers. Unlike collective bargaining agreements, direct agreements are informal and thus not enforceable by law.

Solidarista Philosophy

Solidarismo has its roots in the social-democratic movement led by three-time president José "Pepe" Figueres. The reformist-minded *Partido Liberación Nacional* (PLN), dominant in Costa Rica after the 1948 civil war, greatly expanded the country's social welfare system, nationalizing key industries and increasing state spending on health, education, and social security. At the same time, the PLN was stridently anticommunist, banning

the official communist party upon coming to power in 1928 and preaching social harmony as an alternative to class struggle.

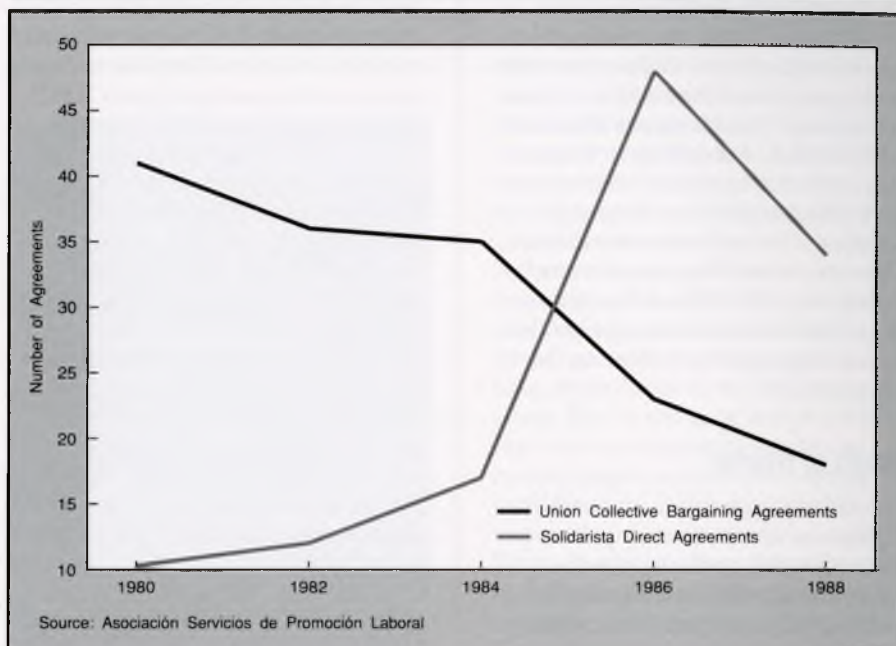
The *solidarista* movement was founded by Figueres's ally Alberto Marten to bring this alternative to the labor sector, at that time dominated by communist-affiliated unions. *Solidarista* philosophy, as outlined by Marten, takes a positive-sum approach to worker-owner relations, arguing that the interests of workers and owners are best served by working together to promote productivity and increase profits. A successful business, according to *solidarista* leader Oswaldo Solano, benefits workers as well as owners: "The more profits an enterprise has, the more it will have to share with workers."

Solidarista leaders claim that traditional labor pressure tactics such as strikes are often counterproductive for workers, resulting in lost profits and even business closings. "If the company closes because of our pressure, the owners leave, they close their doors, and we go home to look for more work," said Raúl Campos, treasurer of a San José *solidarista* association. "We are left with nothing."

Solidarista leaders also claim union pressure tactics promote leftist political interests over the well-being of workers. "All unions promote class struggle," according to Father Claudio Solano, director of Juan XXIII, a Catholic "social school." The school, dedicated to the promotion of *solidarismo*, teaches that "communist" unions are "like a cancer that must be stopped." Instead of "class struggle," *solidarista* organizations promise labor stability in the hope that owners will reciprocate by improving working conditions. The aim, according to *solidarista* promoters, is to create a "climate of human communication" where worker grievances can be addressed without the need for strikes.

MSC executive director Rodrigo Jiménez argues the *solidarista* approach can effectively combat the

COSTA RICA: GROWTH OF SOLIDARISMO, 1980-88



abuses that have long characterized Latin American labor relations. While Jiménez concedes that "some businesses, the foreign ones mostly . . . are not really committed to even a minimum responsibility to their workers," he claims *solidarismo's* promotion of "goodwill" and "increased confidence" will help to eliminate such abusive practices. "We are trying to plant a seed of good faith," he said.

It is precisely this faith in the goodwill of employers that opponents of *solidarismo* criticize. Unlike *solidaristas*, union leaders tend to view employer-worker relations as inherently conflictive, arguing that worker benefits have historically been won through labor pressure, not cooperation with management. According to Mariano Saenz of the *Asociación Servicios de Promoción Laboral* (ASEPROLA), a San José think-tank, the idea that owners will voluntarily share increased profits is "pure fallacy." Mario Blanco of the *Asociación Nacional de Empleados Públicos* (ANEP) argues that situations will inevitably arise, especially in times of economic crisis, where workers and owners will

not be able to reach agreement. At that point, contends Blanco, workers may have no other recourse than to "opt for pressure."

After decades of conflict with hostile business owners, many union leaders view efforts toward building employer-worker harmony as simple cooptation. As such, these leaders mistrust the enthusiasm with which employers have embraced *solidarismo*. *Solidarismo's* success among multinational corporations—90% have associations—and massive private-sector funding of the movement have strengthened such suspicions. According to Gilbert Brown, president of the *Confederación Nacional de Trabajadores*, *solidarismo* is nothing more than "an instrument used by owners to fight unions." Union leaders charge that many employers actively promote *solidarista* associations while barring labor organizers from their enterprises. Within individual companies, labor leaders claim, *solidarista* associations are manipulated by employers through "trusted" employees. According to an ASEPROLA study, more than 60% of *solidarista* board

members are managers, technicians, supervisors, or section chiefs. Only 12% are unskilled workers.

"The basic idea (in electing the board of directors) is that you must pick people who know how to handle money," said Gustavo Blanco of ASEPROLA. According to Blanco, this excludes most laborers, who lack administrative or financial training. "It is a lie that workers are directly controlling associations," Saenz said. "In 98% of the associations, the decisionmaking is in the hands of people very close to the employer."

Roots of Growth

Solidarismo's growth in the early 1980s was accelerated by private-sector funding, which gave the movement a critical financial base from which to expand. According to former *solidarista* leader Juan José Flores, private-sector contributions account for 80% of MSC's funding. Multinational companies, including banana producers Del Monte, Chiquita (United Fruit), and Standard Fruit, have donated hundreds of thousands of dollars to the Juan XXIII school. United Fruit, for example, contributed to the school every year in the 1980s, including \$115,000 in 1980.

Juan XXIII has been the *solidarista* movement's chief promoter since the early 1970s, training workers in *solidarista* philosophy and encouraging the formation of new associations. Many of the school's 60 staff members work as full-time promoters of *solidarismo*, visiting companies on a daily basis to sell the movement to both workers and owners. The school equates *solidarista* philosophy with the social doctrine of the Catholic Church. Catholic doctrine, which shares *solidarista* principles of work-place harmony and the rejection of class struggle, provides religious legitimization for the movement.

Juan XXIII promoters were particularly active in the introduction of *solidarismo* to the banana zones in the early 1980s. Between 1979

and 1981, a series of unsuccessful union-led strikes paralyzed the banana industry, causing several companies to close down their operations and tarnishing the union's image among workers. Juan XXIII organizers, often with the active support of company management, moved in and formed associations. The new associations then signed salary agreements with management, effectively undermining the unions' bargaining position. Simultaneously, many union leaders were fired, leaving traditional labor in a weakened and disorganized state from which it has never recovered. Between 90-95% of banana plantations now have *solidarista* associations, while union membership has fallen from 3,000 to just 100.

Private-sector funding and the repression of unions do not fully explain solidarismo's success. Failures of unions themselves have also played a role.

Union leaders charge that the present union weakness in the banana zones is the result of persecution by banana companies. Organizers claim they are not allowed contact with workers, and that some companies have even hired paramilitary forces to enforce this ban. "Right now, unions are clandestine," said union leader Gilbert Bermúdez. "No worker can say the word 'union' in the banana zones." Union leaders also accuse banana companies of compiling "black lists" of workers with union links. According to Miguel Marín of the *Confederación Unitaria de*

Trabajadores, "it is obligatory to join a *solidarista* association to be hired."

Although Costa Rican law stipulates that companies cannot legally dismiss workers for union participation, union leaders claim such laws are rarely enforced. In cases where the *Ministerio de Trabajo* does sanction companies, fines are extremely low, rarely exceeding \$10. This year, for example, Civilian Security Guard, Inc., was fined \$6 for illegally firing union members.

The Role of Union Failures

Private-sector funding and the repression of unions do not fully explain *solidarismo's* success. Traditional labor's failure to remain in touch with the evolving needs of Costa Rican workers helped pave the way for *solidarista* expansion. Prior to *solidarismo's* rise, the Costa Rican labor movement concentrated its efforts on confrontations with management, attempting to secure worker benefits through often debilitating strikes. For many of the strongest unions, linked to the Costa Rican communist party, such tactics were part of a long-term strategy of bringing about deep societal change.

"In the '70s and '80s, with the revolution in Nicaragua, people still had dreams that we would construct something else," said ANEP's Blanco. "So it was better to dedicate ourselves to that and not think so much in the immediate." Labor leaders tended to dismiss efforts to satisfy the immediate material needs of workers as short-term or "reformist" solutions. In the early 1970s, for example, unions rejected a government offer to allow them to administer worker pension funds, arguing such a practice was "not the role of unions." Access to pension money has allowed *solidarista* associations to offer a wide variety of services to their members. According to Blanco, this access has given *solidarista* associations a "fundamental advantage" over unions.

During the economic crisis that shook Costa Rica in the early 1980s, traditional labor's failure to address workers' material needs became glaringly apparent. While unions responded to the crisis with traditional work stoppages, *solidarista* associations attracted workers by offering direct services and job security in the face of rising unemployment and poverty levels. "In times of economic crisis," notes union advisor Saenz, "these kinds of promises sound very good." As Saenz and other union organizers now admit, the union movement's failure to respond to the concrete needs of its members fueled worker flight to *solidarista* associations. "We didn't listen. We didn't realize that workers didn't want strikes, but rather wanted other things," said union leader Bermúdez.

Between 1979 and 1986 the number of *solidarista* associations multiplied from 98 to 862. Nevertheless, unions took few steps to counter the movement. "We never saw the importance of *solidarismo*," acknowledges Ronald Campos of the *Confederación de Trabajadores de Costa Rica* (CTCR). "We were always responding in a purely ideological manner, arguing that the class struggle is irreversible, that all this would die some day . . . and well, now we are in a very adverse situation."

The *solidarista* movement's success during the economic crisis of the 1980s runs somewhat contrary to the movement's original strategy. Creating and sharing wealth, a central *solidarista* goal, presupposes an expanding economy, not a weak one. *Solidarista* founder Marten once predicted that the movement would "only grow during times of prosperity." Yet *solidarismo*'s astronomical growth occurred precisely during the economic recession of the early 1980s. Far from distributing wealth during times of prosperity, *solidarista* associations have performed a very different function—helping workers cope with times of auster-

ity. Contrary to *solidarista* claims, the movement's success has not been in aiding workers' upward mobility, but rather in helping them cut their losses.

The success of solidarismo has not been in aiding workers' upward mobility, but in helping to cut their losses.

A Package for the '90s?

The wave of economic liberalization sweeping across Latin America in the 1990s bodes well for *solidarismo*. Privatization and wage restraint, key components of the structural adjustment program pushed by international lenders (and embraced by many Latin American governments), will likely benefit *solidarista* associations at the cost of Costa Rican unions.

The planned privatization of state-run enterprises could have a devastating impact on Costa Rican unions. Costa Rica's expansive public sector, in place since the 1940s, has traditionally been the center of union strength. The paternalistic, pro-labor policies of the dominant PLN enabled unions to win substantial benefits for public employees, and strong labor laws made it virtually impossible to fire unionized workers. As a result, unions have tended to concentrate their efforts on state enterprises, never gaining a foothold in the private sector. Currently 91% of unionized workers are state employees.

Public-sector cuts will almost certainly undermine union strength. First and foremost, union ranks

will inevitably be depleted by the laying off of many unionized workers. Stripped of their privileged position and forced into the private sphere—a *solidarista* stronghold—unions may be unable to compete. Furthermore, owners of newly privatized enterprises are likely to favor *solidarista* associations and their guarantees of labor stability.

Solidarista associations may also be better equipped than unions to respond to the wage restraint policies that accompany neoliberal structural adjustment programs. Like other Latin American nations, Costa Rica is trying to insert itself into the international market by promoting exports and lowering tariff barriers. To survive in this unprotected environment, Costa Rican businesses have been forced to keep wages low. In addition, to meet the inflation targets imposed by the International Monetary Fund, the government has been forced to keep the growth of public-sector wage rates below the inflation rate. Due to these powerful constraints, wage negotiations have often produced little for union members. Moreover, threats by owners to shut down or move their businesses have dampened enthusiasm for strikes. As a result, unions that concentrate their efforts on the struggle for higher wages are appearing increasingly ineffective.

In contrast, the *solidarista* option, with its emphasis on direct services and alternative income sources, may actually have increased appeal in a period of wage restraint. With the value of workers' wages declining, *solidarista* leaders argue, nonwage benefits such as housing loans and food subsidies are now more important than ever. According to *solidarista* leader Raúl Campos, associations are also developing "more creative" ways to make money for members. "We say to workers, the situation's bad and we have to be aware of that," said Campos. "Instead of pressuring, why don't we look for other sources of money?" he adds. "A *solidarista* association can promote

a small business of its own. Not to generate more capital for the company, but rather to allow workers to make money."

Working on the assumption that traditional pressure tactics will bear little fruit, *solidarista* leaders argue that worker organizations must lower their sights and adopt a "take what you can get" strategy. Given steady *solidarista* growth and declining union influence, this unorthodox approach appears to be winning the day.

Reform Talk

"If unions don't adapt," Saenz warns, "in ten years, there will be no unions." Saenz and other union organizers believe unions must begin offering *solidarista*-like services to their members. "The truth is that the common person, the worker in the factory, wants to solve his immediate problems, like housing and food for the family, and this is what *solidarismo* can immediately provide," said ANEP leader Blanco. ANEP recently developed a savings and loan program, a low-cost housing project, and a recreational center to "compete in some way with *solidarismo*."

"If *solidaristas* provide services, we have to provide services too," said Rodrigo Araya of the *Asociación de Profesores Universitarios* (ASPROFU). "There is no law within the labor movement saying we can't develop such projects." In 1990 ASPROFU began providing credit, housing assistance, and subsidized food to members. Only a small minority of Costa Rican unions have begun to offer direct services to workers, and many have found they don't have the funds to provide such benefits. Nevertheless, union leaders such as Araya insist that such a strategy is "the only way to stop *solidarismo*."

According to Blanco, the *solidarista* movement itself might begin to alter its strategy in the future, particularly if it continues to grow. As *solidarista* associations gain economic strength, Blanco ar-

gues, they will become less dependent on management and more likely to "opt for pressure." Unsafe working conditions could also force *solidarista* associations to take a more belligerent stance. In Costa Rica the use of dangerous pesticides has plagued workers, sterilizing thousands. The influx of foreign-owned "drawback" or "*maquila*" factories, frequently criticized for abusive practices, also poses a danger to worker rights. Renouncing the right to strike leaves associations powerless to combat such real and potential threats.

Some organizers believe unions must begin offering similar services, such as savings, loan, housing, and recreational programs.

Cooperation: A Viable Option?

In a few cases, unions and *solidarista* associations have overcome mutual mistrust and learned to coexist. Under this scenario the union and the association perform distinct but complementary functions within the same enterprise. At the Costa Rican airlines LACSA, for example, the association provides a number of services to workers, but "supports the union" on salary and worker safety issues. The majority of LACSA's 800 workers belong to both union and association. Though seemingly the perfect solution, such union and *solidarista* coexistence has failed to spread beyond a handful of enterprises. A decade of conflict has produced deep antipathy between

union and *solidarista* leaders, making cooperation unthinkable for many on both sides. Nevertheless, LACSA workers such as Sergio Alvarez—a union leader and association member—view the arrangement as an "ideal form" of worker organizing. "Together we can achieve more benefits for workers," said Alvarez.

Central American Horizons

Though *solidarismo* is widely considered a "uniquely Costa Rican" phenomenon, the movement has begun to make inroads throughout Central America. After Costa Rica, Guatemala is *solidarismo*'s biggest success story, with 300 associations and more than 80,000 members. There are now 45 associations in Honduras and 10 in El Salvador. Although *solidarismo* has not yet gained a foothold in Nicaragua, at least 74 Nicaraguan business people have attended *solidarista* seminars in Costa Rica.

The introduction of *solidarismo* to countries where the labor movement has often been violently repressed has raised concerns about its possible abuse. Increased international scrutiny and emerging civilian regimes have made open repression of organized labor more difficult to carry out in El Salvador, Guatemala, and Honduras. Active business pursuit of *solidarismo* in these countries has sparked fears that it will be used as a more subtle means of union busting—as occurred in the Costa Rican banana zones. On the other hand, the structural adjustment process will likely hit the already poor workers of other Central American countries even harder than their Costa Rican counterparts. If unions in these countries are unable to find solutions for workers' dwindling living standards, *solidarismo* may find factory doors wide open. ■

Editor's Note: Adapted with permission from Mesoamerica (San José, Costa Rica), August and September 1991.

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The Informal Challenge

by Efrén Córdova

The rate of labor unionization in six Latin American countries—Argentina, Chile, Mexico, Nicaragua, Uruguay, and Venezuela—is higher than that of the US. In these and other Latin American countries, however, organized labor is losing substantial ground to the accelerated growth of employment in the informal sector. What are the chances that Latin America's labor movement will be revitalized through some form of political convergence between workers in the formal and informal sectors?

The term "informal labor" is vague, having been coined by economists to refer to a heterogeneous mass of workers that, with equal imprecision, sociologists used to call "marginal" and jurists used to call "atypical." Within this mass are self-employed workers; sporadically and seasonally employed workers; workers employed in small, including family, enterprises; undocumented workers; workers in unregistered businesses; underemployed workers; and housemaids, artisans, and laid-off factory workers performing odd jobs.

Whatever the origin or occupational classification of its members, the informal sector is no longer a marginal phenomenon. In Argentina, Brazil, Colombia, Mexico, and

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Venezuela it comprises about 40% of the work force. In Peru and Central America it reaches between 75-80% and in Haiti 92%. Such figures indicate that the informal economy is thriving and has become part of the social structure of Latin American countries. This

It seems reasonable to assume that organized labor would eventually take on the representation of at least much of the diversified "informal sector." The obstacles, however, are formidable.

means that unions in those countries are currently confronted with problems related to changes in the composition of employment—which are affecting unions everywhere—and with the more peculiar challenge of organizing the informal sector.

In principle it seems reasonable to assume that organized labor would eventually take on the representation of such an impressive mass of workers, or at least many of them. After all, the world's first

labor unions represented independent artisans along with salaried workers. The difference is that labor-market conditions in Latin America and the world have fundamentally changed.

To begin with, the contemporary expansion of informal labor is based not on voluntary choice by workers but on the economy's failure to generate sufficient employment. In the language of the International Labor Organization, today's informal workers are largely "excess" members of the labor force who must generate their own means of earning a living. Furthermore, unlike the past, today's informal workers tend to be markedly inferior to their formal counterparts in education, training, and earnings, commonly living in abject poverty.

The difference stems as well from the very structure and actions of labor unions. Organized labor consolidated itself during the age of large-scale, centralized industrial manufacturing, in which salaried employment underwent massive growth. Consequently the functioning of labor unions had assumed that informal labor was a vanishing, rather than an increasing, dimension of the economy. Hence, both the legislative rights won by labor unions and their very structure of negotiation have presupposed a stable, wage relation of workers with management.

Rarely, though, does such a relation exist in the informal economy, where employment is generally precarious, small scale, technically backward, socially heterogeneous, and spatially dispersed. These conditions make it difficult for informal workers to act on behalf of their common interests

against government authorities and economic groups, such as commercial suppliers, subcontractors, or competitors. Moreover, labor unions have manifested little or no interest in organizing informal workers whose economic capacity to pay union dues is very limited indeed. And states themselves have tended to ignore or repress informal workers, refusing to recognize the legitimacy of their existence and nascent mobilizing efforts. A result is that, even as mainstream organized labor's portion of the work force and political clout are declining, in some countries its pay and work conditions generally remain far superior to those of the swelling masses of informal labor.

In spite of the many economic, social, and political obstacles faced by informal workers, their collective mobilization is on the upswing. Such action is giving rise not only to organizations like labor unions but also to production cooperatives, entrepreneurial associations, and pressure groups.

Not all informal workers should in effect be viewed as potential union members. Some of them are more inclined to become mini-entrepreneurs than trade unionists, while others in the lower strata of the sector feel more attuned to cooperativism or similar currents. Nonetheless, all of them need some sort of protection, whether it comes from unions or the government.

Against this backdrop, traditional organized labor has two options to stem or reverse its declining fortunes: it can either await the spontaneous growth of more or less stable organizations in the informal sector and then attempt to absorb them into newly created labor federations, or it can take the initiative in organizing the growing mass of informal workers.

Since the mid-1970s organizations of formal workers have explored both options, albeit in vacillating ways and with relatively minor success. Some regional confederations, like the *Central*

Latinoamericana de Trabajadores, have extended their reach to include both migrant and marginal workers. In some countries labor unions have promoted the organization of low-paid independent workers, such as music teachers and tour guides in Argentina.

Not all informal workers should be viewed as potential union members.

Nonetheless, all of them need some sort of protection, whether it comes from unions or the government.

These efforts have included more typical marginal workers as well, such as street vendors in Panama and Venezuela, newspaper vendors and delivery-cart drivers in Guatemala, and shoe shiners and taxi drivers in various countries. Some labor unions, like the *Confederación General de Trabajadores de Venezuela*, represent more nonwage than wage workers. In Uruguay a registered union represents prostitutes. And some Latin American labor unions have incorporated unemployed workers into their ranks while also increasing their attention to the interests of retirees.

Attempts to incorporate informal workers into mainstream labor unions are particularly difficult when groupings of such workers are linked to broader organizations like neighborhood associations. The memberships of such associa-

tions embrace an even wider range of social and political interests, which extend well beyond the workplace. Undoubtedly organized labor must reach beyond the concerns of workers in the formal sector. The fundamental question is how far it can reach without losing its bearings.

This risk is clear when considering the multiple concerns that labor unions must address with regard to informal workers. Among these concerns are improvements in the gamut of public services, especially those that pertain to women, children, and the elderly; access to credit, subsidies, tax exemptions, and training programs for micro-enterprises; the right of street merchants to occupy adequate public space, including their right to defense against abuses by the police, other authorities, and formal-sector businesses; protection against abuses by suppliers and subcontractors; the regulation of economic competition; the dissemination of information; and access to government loans, technical assistance, and social security.

This risk notwithstanding, Latin American labor unions cannot afford to stand still. Insofar as they fail to take innovative action, labor unions not only continue to lose ground in terms of the relative size of their membership and their share of the region's work force. They also contribute to the social and political erosion of workers' rights, standards of living, and democratic governance. This process includes social and political polarization between the privileged and underprivileged segments of urban labor. The latter cannot be expected to retain faith in democratic institutions, but rather to become increasingly vulnerable to radical destabilizing influences. In the midst of an economic crisis that is far from over, the result could be growing potential for political upheaval. ■

(Translated by Hemisphere staff)

Brasília: The Poverty of Modernism

by Ellen J. Pader

The Modernist City: An Anthropological Critique of Brasília
by James Holston. University of Chicago Press, 1989. 369 pp.

A completely planned modernist city with both its architectural and social structure designed in advance: this was the dream of Brasília, the new capital of Brazil that was inaugurated in 1960. Built inland, away from the coast and its Portuguese colonial memories, Brasília was to be the objectification of progress, a means for transforming society through "rational" principles of urban design. To this end, the winning design for Brasília, by Brazilian architect Lucio Costa, a student of the European modernist visionary Le Corbusier, conceived of a city that denied Brazilian history. Instead, the city would be imbued with a custom-designed, "progressive" myth of creation. It was to be the model modernist city: an entire city built from scratch following a rational and coherent philosophy. It was to be a utopian city in which the physical environment would recreate a progressive vision of society. Its impact was to be so pervasive and so powerful that the structural

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changes of a modernizing society would invariably follow.

Anthropologist James Holston explores the social, political, and conceptual implications of this utopian project in his "critical ethnography" of Brasília. Drawing on historical documentation; interviews with planners, architects, bureaucrats, and residents of the city and its peripheral zones; and observations and architectural analyses, Holston presents a study that is as

Brasília was to be the objectification of progress, a means for transforming society through "rational" urban design.

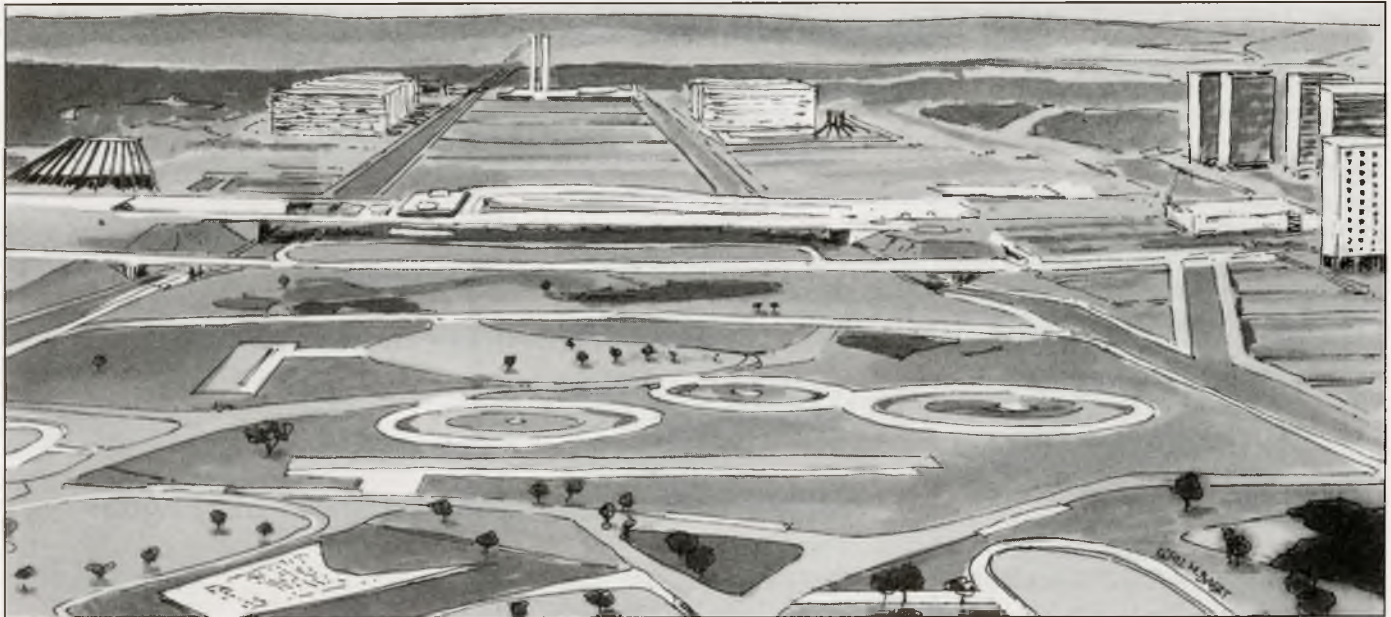
complex as the city itself. Yet, unlike the city in which the needs of the people who were meant to live and work there seem to have been barely considered, Holston tries to leave room for readers to come to their own conclusions. Nonetheless, he clearly sees the experiment of Brasília as a failure. Picking his way through a web of data, of interpretive, physical, and emotive strands of analysis, he carefully and calculatingly leads his readers to arrive at the same conclusions he did, while suggesting they rightfully might not. His mode of analysis and interpretation of the intentions, counterintentions, successes, and failures of Brasília are "only one version of what another might have done differently" (p. 318).

To discuss this book it is first necessary to uncover some of its in-

terwoven layers of meanings. At a literal, concrete level, *The Modernist City* can be read as a fascinating story of Brasília. It tells us about the players and suggests why a new capital was built and why a modernist social philosophy and design were chosen. Holston presents detailed descriptions of how the city looks and who its residents are.

At a slightly more abstract level, Holston analyzes the social and political underpinnings of the Brasília experiment. Underlying the grand plan of Brasília are the social agenda of President Juscelino Kubitschek (1956-61) and the designers—most of which are implicit. Holston argues, though, that planning and architectural endeavors are intrinsically political. In this respect the very act of planning and designing buildings and spaces structures the choices of users, however much they might subvert the designer's intentions and expectations. Not only did the residents of Brasília not follow blindly all official decrees, but in the peripheral zones the disenfranchised followed their own political agenda, which, to a large extent, contradicted that of the official powers. What emerges is the notion that urban planning and architecture are inherently politicized by both the decisionmakers and the common users.

A major part of the sociopolitical exploration is a critique of modernism as a philosophy of life and a style of architecture. Modernist ideology as social practice tries to "stimulate a critical attitude toward the means-ends rationalities of cultural order" (p. 6). To effect this "critical attitude," modernism in Brasília would eradicate national and class boundaries (p. 50). The



mechanism for this transformation would be based on tactics of shock through a carefully orchestrated strategy of defamiliarization, decontextualization, and dehistoricization. In other words, by putting familiar objects or familiar relationships into unsettling, culturally inappropriate contexts, modernism would make the users aware of the artificiality of the original, familiar context. This then was expected to lead the inhabitants of the city to a more profound awareness both of their own social condition and of the possibilities of radical social transformation. For instance, the plan of Brasília had workers and bosses living in the same housing complexes, in apartments of the same size. Thus, a reconfiguration of established social relations was literally built into the new city, thereby negating an existing, historically derived social practice of overt class division. Many of the wealthiest people rejected this prac-

tice and moved to nearby lake residences they built themselves.

In short, Brasília is based on a social engineering program that tried to control people through the built environment and did not take into account social agency—the past experiences and the conceptual frameworks of people. Such an experiment is bound to be largely unsuccessful, as Brasília indeed has been. For one thing, the overall scale of Brasília contradicted expectations. The intention was to blur the line between public and private, the result being that much of the city took on what is generally considered to be public, even monumental, scale at the cost of everyday physical and sociocultural needs. Narrow streets and modest houses do not appear here and the plan of Brasília discourages the active street life found throughout Brazil. Brazilians typically expect the corners and the corridors made by the streets in both resi-

dential and commercial areas to be central loci for daily interactions. In Brasília these loci are removed; the streets are wide corridors for cars, while shopping, commercial, and residential sections are turned inward. Thus, apartment complexes do not look outward toward the street; the façades of shops likewise are designed so that the back doors, rather than the front doors, face onto the street. In response, shopkeepers rebelled, subverting the intent of the designers by transforming the street-side of shops into the main entrances.

The planners legislated not only the physical appearance of Brasília but the class of inhabitants who would populate it as well. Brasília was to be a service city. Hence the original plan specified that the construction workers who spent years building the utopian city would not be allowed to inhabit it; the planners intended that the construction workers would leave the city

upon its completion. Like the shopkeepers, however, the construction workers rebelled and subverted the grand plan. They stayed, although they were later forced to move to the city's peripheral zones. By staying they explicitly contradicted the intent of Brasília's creators, who had determined that no part of the city would deviate from the plan. The peripheral areas developed organically, in the face of considerable pressure from the government to disband. Eventually these squatter settlements became recognized communities—of small scale and with active street lives.

The success of Holston's study largely derives from his insistence on analyzing the city from multiple perspectives. Nonetheless, his architectural background seems to take over in his insistence that both the architects' and inhabitants' "perceptual order" of the street can be visually presented through "simple oppositions," that is, the graphic juxtaposition of voids (primarily streets and squares) against solids (buildings) (p. 123). In this formalistic black-and-white vision, Holston negates the importance of fluidity—of the many shades of grey—that ironically he argues for in every other facet of his analysis.

In general, however, this exploration into social and architectural modernism as a means to achieve a particular version of utopia—one that is antithetical to, and purposefully denigrating of, local values and practices—makes a strong argument for greater understanding of the relationship between the built environment and sociocultural processes. Planning from above—without understanding the people whose lives are affected—is a highly problematical endeavor. Brasília is still evolving as an experiment in urban living, and while it was meant to be the social and power center of a modernizing Brazil, it has not lived up to its promise. The result is that, while all of Brazil has paid for the creation of Brasília, very few Brazilians have benefited. ■

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Organized Labor in Latin America

by Marian Goslinga

During much of the twentieth century, organized labor played a pivotal role in Latin American economic and political affairs. Organized labor actively participated in the Mexican Revolution, as reflected in the pro-labor measures incorporated in Mexico's 1917 constitution, which became widely emulated throughout Latin America. In the 1940s the political ascendancy of Juan Domingo Perón in Argentina owed much to the *descamisados* of the *Confederación General de Trabajadores*.

As an introduction to the subject, Victor Alba's *Politics and the Labor Movement in Latin America* (1968) remains unsurpassed in providing essential background materials. Similarly useful is *Labor Autonomy and the State in Latin America* (1989), edited by Edward C. Epstein. Among the more noteworthy of recent bibliographies on the subject is *Latin American Labor Studies: A Bibliography of English-Language Publications through 1985* (1989) and its companion volume *Latin American Labor Studies: An Interim Bibliography of Non-English Publications* (1989), both of which are edited by John D. French.

More current information is available in the periodical literature, as sampled below. In addition, most newsletters on Latin American affairs (e.g., *Central America Report*, published by Infopress Centroamericana) include regular sections on trade unions and labor conditions.

Argentina's "Dirty War": An Intellectual Biography. Donald C. Hodges. Austin: University of Texas Press, 1991. 387 p. \$37.50. [Examines the ideologies of the armed forces, guerrillas, and organized labor in Argentina since the 1930s.]

Assaults on Labour in Changing West Indian Economies: Antigua and St. Kitts-Nevis. Douglas Midgett. *Labour, Capital and Society/Travail, Capital et Societe*, v. 22, no. 1 (April 1989), p. 140-64.

La caída del zar. Oscar Neira Cuadra. *Pensamiento Proprio*, v. 9, no. 76 (November/December 1990), p. 8-10. [Discusses the opposition of the *Federación Nacional de Trabajadores* to the Nicaraguan government's economic stabilization programs.]

El caso de la Ford: compendio de los vicios del sindicalismo mexicano. Salvador Coro, Guillermo Correa. *Proceso*, v. 14, no. 765 (July 1991), p. 18-21. [Describes the

deteriorating labor-management relations at the Ford Motor Company in Mexico.]

La clase obrera y el movimiento sindical en México. Alejandro Alvarez Bjar. México: Facultad de Economía, Universidad Nacional Autónoma, 1990. 389 p. [Describes workers' conditions, industrial relations, and trade unions during the 1970s and 1980s.]

Costa Rica. Jolene Lloyd, Maria Skold. *Mesoamerica*, v. 9, no. 12 (December 1990), p. 11-12. [Reviews the November 1990 strike to protest the government's austerity measures.]

Crónica del sindicalismo en México, 1976-1988. Raúl Trejo Delarbre. México: Siglo Veintiuno, 1990. 420 p. [Covers labor union activities during the period 1976-88.]

CUT [Central Unica dos Trabalhadores]: os militantes e a ideologia. Leoncio Martins Rodrigues. Rio de Janeiro, Brazil: Paz e Terra; 1990. 143 p. [Analyzes CUT's 1988 national congress and the Brazilian union's political platform.]

Don't Trade on Me: Mexican, U.S., and Canadian Workers Confront Free Trade. Matt Witt. *Dollars & Sense*, no. 165 (April 1991), p. 18-21.

Europe 1992: The Single Market and Its Implications for Labour. Kingston, Jamaica: Bustamante Institute of Public and International Affairs, 1990. 122 p. [Discusses relations between Europe and the Caribbean Community, especially with respect to labor.]

La experiencia socialista-populista chilena: la Unidad Popular, 1970-1973. Felipe Larraín, Patricio Meller. *Cuadernos de Economía*, v. 27, no. 82 (December 1990), p. 317-55. [Discusses the Allende government's economic policies and their effects on labor unions.]

From the Many to the Few: Privatization in Mexico. Laura Carlsen. *Multinational Monitor*, v. 12 (May 1991), p. 16-18. [Emphasizes labor conflicts related to the program of privatization initiated in 1982.]

The Government's Economic Plan: Four Steps to Forging Unemployment. Daniel Flakoll Alegría.

Marian Goslinga is the Latin American and Caribbean librarian at Florida International University.

Barricada Internacional, v. 11, no. 337 (May 1991), p. 4-5. [Discusses the truce between the government of Nicaraguan president Violeta Chamorro and the *Federación Nacional de Trabajadores*, which called off all strikes until May 22, 1991.]

Guatemala. J. S. Youngblood. *Mesoamerica*, v. 10, no. 6 (January 1991), p. 4-5. [Summarizes the June 1991 labor protests in Guatemala.]

Historia de la CTM [Confederación de Trabajadores de México], 1936-1990: el movimiento obrero y el Estado mexicano. Javier Aguilar García, ed. México: Facultad de Ciencias Políticas y Sociales, Instituto de Investigaciones Sociales, Facultad de Economía, Universidad Nacional Autónoma, 1990. 2 vols.

Historia y política en el sindicalismo argentino. Juan José Taccone, Alberto Delfico. Buenos Aires, Argentina: Editorial Oriente, 1990. 3 vols.

Honduras. Colin Schmidt. *Mesoamerica*, v. 10, no. 5 (May 1991), p. 11-12. [Reviews the 1991 economic adjustment plan and its effect on the country's trade unions.]

Huelga, proceso de trabajo y composición de clase: los trabajadores brasileños de procesamiento de datos. José Othon Quiroz. *Problemas del Desarrollo*, v. 22 (January/March 1991), p. 197-236. [Examines labor relations in a data-processing center in Rio Grande do Sul.]

Industrial Restructuring and Union Impact in Northern Mexico. Jorge Carrillo V.; 1990. [International Sociological Association conference paper.]

Labor and Politics in Panama: The Torrijos Years. Sharon Phillips Collazos. Westview Press, 1991. 196 p. \$28.50.

Mexican Labor Law from Three Perspectives: The Constitution, the Trade Unions, and the Maquiladoras. *Comparative Labor Law Journal*, v. 11 (Winter 1990), p. 181-248.

Mexican Labor: The Old, the New and the Democratic. Matt Witt. *Multinational Monitor*, v. 12 (January/February 1991), p. 30-34.

More Trouble in Brazil. Rik Turner. *Global Finance*, v. 5, no. 9 (September 1991), p. 33. [Discusses recent Brazilian economic policies, including negotiations with the unions.]

Movements in Newly Industrialized Countries: South Africa and Brazil, 1960-1985. Gay Wilcox Seidman. Ann Arbor, Mich.: University Microfilms International, 1991. [Thesis—University of California, Berkeley; examines the emergence of radical labor movements in both countries despite the obvious differences between their societies.]

El movimiento obrero argentino (1955-1990): venturas y desventuras de la columna vertebral desde la resistencia hasta el menemismo. Julio Godio. Buenos Aires, Argentina: Editorial Legasa, 1991.

El movimiento sindical en el Uruguay postdictatorial: los demonios, las máscaras y el espacio socialista. Montevideo, Uruguay: Instituto de Formación e Investigación Sindical, Centro de Apoyo y Asesoramiento Sindical, 1990. 143 p.

El movimiento sindical después de la Segunda Guerra mundial en El Salvador. Rafael Guido Bejar. *Estudios Centroamericanos*, v. 45, no. 504 (October 1990), p. 871-92.

Movimientos sociales en México, 1968-1987. Elke Köppen, comp. México: Centro de Investigaciones Interdisciplinarias en Humanidades, Universidad Nacional Autónoma, 1989. [A bibliography of works pertaining to labor, youth, and other urban and rural movements.]

Nicaragua. Heather L. McPhail. *Mesoamerica*, v. 10, no. 6 (June 1990), p. 10-11. [Discusses the government's relationship with the *Federación Nacional de Trabajadores*.]

Nicaragua: a las puertas del ajuste. Oscar Neira Cuadra. *Pensamiento Proprio*, no. 82 (July 1991), p. 16-19. [Discusses the government's second structural adjustment program and its effect on the Sandinista unions.]

Los nucleamientos político-ideológicos de la clase obrera: composición interna y alineamientos sindicales en relación a gobiernos y partidos. Beatriz S. Balve. Buenos Aires, Argentina: Centro de Investigaciones en Ciencias Sociales, 1990. [Analyzes the Argentine working class.]

Of Victims and Executioners: Argentine State Terror, 1975-1979. David Pion-Berlin, George A. López. *International Studies Quarterly*, v. 35 (May 1991), p. 63-86. [Discusses the extent to which the state systematically targeted members of trade unions perceived to be opposed to Argentina's economic objectives.]

Organized Interests, the State, and the Public Policy Process: An Assessment of Jamaican Business Associations. Michele Garrity, Louis A. Picard. *Journal of Developing Areas*, v. 25 (April 1991), p. 369-93.

Political Ascent of Bolivia's Peasant Coca Leaf Producers. Kevin Healy. *Interamerican Studies and World Affairs*, v. 33 (Spring 1991), p. 87-121. [Discusses the increase in power of the coca growers' movement compared to other peasant unions.]

Proceso de trabajo, acción sindical y nuevas tecnologías en Volkswagen de México. Yolanda Montiel. México: Centro de Investigaciones y Estudios Superiores en Antropología Social, 1991. 263 p. [Examines labor conditions and union participation at the Volkswagen assembly plants in Mexico.]

Proletarianization of the New Middle Classes?: The Case of Professionals in Brazil. Sonia M. G. Larangeira, 1990. [International Sociological Association conference paper that compares the particular interests of two professional unions (engineers and physicians) and their relations with the more general ones of the working class.]

La prueba de fuego. Oscar Neira Cuadra. *Pensamiento Propio*, v. 9, no. 80 (May 1991), p. 2-5. [Discusses the relationship between the government and the Sandinista unions in Nicaragua.]

Las relaciones de trabajo en los noventa: diagnóstico y propuestas. Héctor Lucena, Fernando Calero, eds. Caracas: Instituto Latinoamericano de Investigaciones Sociales, 1990. 266 p. [Analyzes the prospects for the labor movement in Venezuela in the 1990s.]

La renovación de la CUT [Central Unitaria de los Trabajadores]. *Que Pasa*, no. 1047 (May 1991), p. 6-12.

Salarios: nada a perder. Adriana Vera e Silva. *Istoe Senhor*, no. 1126

(April 24, 1991), p. 26-27. [Discusses the April 1991 strike by more than 100,000 metalworkers in São Paulo, Brazil.]

Il sindacalismo brasiliano negli anni ottanta. Leôncio Martins Rodrigues. *Andes* (April 1991), p. 69-91. [Analyzes the structure of the Brazilian labor movement in the 1980s as well as the constitutional provisions relating to the right to unionize.]

Sindicati e transizione in Paraguay. José Carlos Rodríguez. *Andes*, v. 4 (August 1990), p. 49-73. [Summarizes the status of Paraguayan trade unions.]

Sindicalismo e Iglesia, 1976-1987. Arturo Fernández. Buenos Aires: Centro Editor de América Latina, 1990. 139 p. [Discusses the relations between the Church and the labor movement in Argentina, especially with the *Confederación General de Trabajadores*.]

Sindicalismo peronista, gobierno radical: los años de Alfonsín. Ricardo Gaudio, Andrés Thompson. Buenos Aires, Argentina: Fundación Friedrich Ebert, 1990. 254 p.

El tambor del alba: la tendencia democrática del Sindicato Unico de Trabajadores Electricistas de la República Mexicana. Rosa María Garza Marcuê. México: Instituto Nacional de Antropología e Historia, 1990. 222 p.

The Textile Trade Unions in the Period of Democratic Reconstruction. Carlos Filgueira, Francisco Pucci, 1990. [International Sociological Association conference paper that analyzes the status of Uruguayan textile trade unions during the 1980s.]

Trade-Unionism and Workers' Participation as Social Demands in the Chilean Transition to Democracy. Sergio Eduardo Contreras-Villa; 1990. [International Sociological Association conference paper that surveys

the attitude of the population of Santiago toward labor unions and workers' participation.]

Union Autonomy at the Socialist Workplace: A Comparison of Cuba and the German Democratic Republic. Linda Fuller. *Socialism and Democracy* (Summer 1990), p. 75-108. [Discusses differences in the relationship of unions to the party and the state during the period from the 1970s to mid-1989.]

Uruguay: il sindacato nella transizione. Gerónimo de Sierra. *Andes*, v. 4 (April 1990), p. 21-34. [Discusses changing activities and affiliations of Uruguayan trade unions.]

"Useful Fools" as Diplomatic Tools: Organized Labor as an Instrument of US Foreign Policy in Latin America. Paul G. Buchanan. Notre Dame: Helen Kellogg Institute for International Studies, 1990. 42 p.

La vanguardia cuestionada: VIII Congreso Nacional Ordinario de la COB [Central Obrera Boliviana]. La Paz, Bolivia: Cedoin, 1990. 64 p. [Provides information on the labor movement in Bolivia.]

La vieja guardia sindical y Perón: sobre los orígenes del peronismo. Juan Carlos Torre. Buenos Aires, Argentina: Editorial Sudamericana, 1990.

View from Below: Working-Class Consciousness in Argentina. Peter Ranis. *Latin American Research Review*, v. 26, no. 2 (1991), p. 133-56. [Analyzes organized labor during the government of Raúl Alfonsín based on interviews conducted in the greater Buenos Aires area.]

Working Class Strategies in the Transition to Democracy in Brazil. Leigh A. Payne. *Comparative Politics*, v. 23 (January 1991), p. 221-38. [Examines the ways in which organized labor in Brazil articulated and defended its interests in the late 1970s and early 1980s.]



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