

POLI 332. Politics and Governments of Latin America

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Session 10. No Left-Turns and Security Concerns

Plan of the lecture

1. Left Turns: Brazil & Venezuela
2. Discussion: Venezuela, 2014

Break

3. Security concerns in the region
4. No Left-Turns: Mexico & Colombia

Classifying the Latin American Left: Castañeda or Levitsky & Roberts?

Castañeda: *Populism (Ven., Bol., Ecu.) v. Social-democracy (Chile, Uru., Brazil)*

Levitsky & Roberts:

two dimensions:
 (1) *Institutionalization
 of the party &
 (2) Concentration of
 power*

	Established party organization	New political movement
Dispersed authority	Institutionalized partisan Left Electoral-professional Left (PSC in Chile; PT in Brazil) Mass-organic Left (Broad Front in Uruguay)	Movement Left (MAS in Bolivia)
Concentrated authority	Populist machine (Peronism under Kirchner; FSLN in Nicaragua)	Populist Left (Chávez in Venezuela; Correa in Ecuador)

Fig. I.1. A typology of governing left parties in Latin America

From Levitsky & Roberts 2011:13

BRAZIL: The Workers' Party in Power I

- Origins of the Workers' Party
 - 1980: labour leaders, Catholic activists, urban intellectuals, social movements (MST)
 - Emphasis on state intervention on the economy, societal participation (participatory budgeting, “basismo”) and “ethical government”
 - Becomes more moderate between 1980 and 2002
- The 2002 Election
 - Luiz Inácio Lula da Silva runs for the fourth time.
 - Lula announces that he will honour existing agreements with the IMF
 - Detachment from left-wing radical organizations (MST)
 - Benefits from the economic downturn generated by the 2001 Asian crisis

Workers' Party in Power II

- **Lula's first administration (2002-2006)**
 - **Orthodox macroeconomic management:** no significant expropriations, tight fiscal policy:
 - Controlled inflation (7.2%, 2003-2007)
 - Economic growth (4.1%, 2003-2008)
 - **Limited land reform:**
 - Distribution of public lands; reliance on agribusiness
 - **Social policy and social assistance:** Bolsa Família-conditional cash transfer program
 - No major increases in social spending
 - Poverty reduction: from 35.69% to 22.70%
 - Growth in formal-sector labour market
 - **Corruption scandals in 2005:**
 - PT played a key role in Collor de Mello's impeachment in 1992
 - *Mensalao* (allowance) scandal
 - **Popular participation:**
 - Participatory budgeting in municipalities since the 1990s; difficulties in scaling up to federal level
 - National Conferences, however.
 - **Foreign policy** oriented towards other developing countries: G-20 (2003), MERCOSUL

Workers' Party in Power III

- **Lula's second administration (2006-2010)**
 - Lula wins poor vote in the rural North, loses some of his traditional support in the urban South.
 - Investment in infrastructure and R&D
 - 83% approval rating by the end of the term
 - However still facing important challenges:
 - Security
 - Corruption

- **Dilma Rousseff's administration (2011-present)**
 - Labour activist under the military dictatorship, Lula's chief of staff (2005-2010)
 - First female president
 - Continuity with Lula's program
 - 2013 demonstrations against infrastructural projects for 2014 World Cup and low-quality of public services

VENEZUELA: The Bolivarian Revolution

- Punto Fijo Pact:
 - Stable democracy, coalition governments, but partyarchy
- Economic growth during the 1970s, crisis during the 1980s
- *Caracazo* (1989), need to impose austerity measures; protests; repression
- Coup attempt led by Chávez (1992):
<https://www.youtube.com/watch?v=oyBgbhEEg3s>

Venezuela under Chávez (Politics)

- Initially wins the elections of 1998 under a coalition of several left-wing parties. The number of parties in the coalition increasingly diminished, until the PSUV became the only dominant force.
- Fragmentation and coordination problems for the opposition.
- Elections: rarely fraud, but usually not free or fair (competitive authoritarianism)
 - Gerrymandering; harassment of the opposition; control of the media; control over CNE; use of public resources to finance campaigns
- Circumventing checks and balances (delegative democracy):
 - Rule by decree
 - Stacking the legislature
 - Stacking the Supreme Court
 - Plebiscitary politics
- Key institutions are used for political purposes: CNE, Central Bank

Venezuela under Chávez (Economics)

- Dependence on commodity exports (oil)
- Nationalization of the economy
- Excessive expenditures (public debt):
 - Social spending: health, education, social assistance
 - Elections spending
 - Foreign Policy: South-South Foreign Aid
- Inflation, employment & scarcity
 - Overspending helps to create jobs, but generates inflation and debt (5.9% of unemployment in 2013).
 - In order to tame the effects of inflation, three types of controls (alleviate short term effects but make the problem worse in the long-run):
 - Currency exchange regulations (further inflation; black markets; capital flight)
 - Labour regulations (further inflation + low productivity)
 - Price controls (scarcity)

Venezuela, February 2014

1. What are the potential consequences (for democracy, governance, economic development, etc.) of a regime that centralizes power in its leader?
2. What are the potential consequences of a political movement that fails to work through well-established formal institutions?
3. Who are the true democrats in the current conflict?
4. Is it democratic to try to topple through street demonstrations a democratically and constitutionally elected president?
5. The success of the Left in many parts of L.A. relied on its ability to mobilize outside electoral channels. Is the Right following the same strategy now? What do you think are going to be the consequences in the long-term?

BREAK

Colombia and Mexico:

Exceptions to the Left Turns

&

Problems with Organized Crime

COLOMBIA:

- **1957—Declaration of Sitges: National Front (1958-1974)**
 - Liberals and Conservatives will alternate rule for 16 years and share power and public offices
- **Emergence of insurgent groups and origins of armed conflict in Colombia (1964-present):**
 - Fuerzas Armadas Revolucionarias de Colombia (FARC)
 - Ejército de Liberación Nacional (ELN)
 - Paramilitaries (AUCs in 1990s) & organized crime (1980s)

Post-National Front and the Rise of Organized Crime

- Access to production: coca plantations in the Andes
- Ports in the Caribbean, facing Europe and Miami
- Bribes, threats, and murders of high-profile politicians.
- After 1980 and the rise of inflation, currency exchange restrictions. Black Market: a great place for laundering dollars coming from drug-trafficking
- Watch (if you want): *Sins of my Father* (Netflix)

No Left-Turn: Plan Colombia and Álvaro Uribe's Administrations

- **Plan Colombia (under Andrés Pastrana in 1999):**
 - **Originally significant social and military spending; in the end, only US foreign aid for military component & fumigation**
 - **Results:**
 - Reducing drug-exports
 - Dismantling cartels
 - Still extremely high murder rates
 - US remains largest consumer worldwide
- **Álvaro Uribe's administrations (2002-2010):**
 - Economic policy: reduction of public sector
 - Commodity boom benefits exports: oil, coffee
 - **“Democratic Security and Defense Policy” (human rights abuses)**

MEXICO:

- The erosion of the party-state (1968-2000):
 - 1968-Student movement and moral disenchantment
 - 1982-Debt crisis, neoliberal reforms, and the time of technocrats
 - 1988 alleged fraud in federal elections (birth of the PRD as an electoral Left-wing alternative).
 - 1994-Third setback: “Tequila” crisis + NAFTA + EZLN uprising
 - 1997 Mid-term legislative elections (PRI loses majority in the lower chamber of congress); 2000 PRI loses the presidential election

No Left Turn: The PAN administrations (2000-2006; 2006-2012)

- A weak, fragmented Left; too close to the PRI in its origins
- Vicente Fox (2000-2006) administration:
 - Divided congress
 - Gridlock on institutional reforms
 - Local politicians (mayors but especially state governors) gain power
 - Entrenched powerful actors are not weakened by the transition: former-official unions (oil, teachers, etc.), big business in oligopolistic markets (telecom)
- Felipe Calderón (2006-2012) administration:
 - Electoral victory by an extremely narrow margin
 - Political polarization in the aftermath of the elections
 - War on Drugs as the main priority of the administration

Return of the PRI to power (2012)

Economic growth:

- 1.2% in 2013
- Unproductive sectors of the economy: either state monopolies or private oligopolies
- Low-skilled labour market, massive size of informal economy (2/3s), low fiscal revenue, excessive economic regulations

- Reforms in 2013

War on Drugs continues without high-profile

- Building strong state institutions (ex. Anonymous v. Zetas)
- Judicial reform