

# Introduction

## Whatever Happened to Corporatism and Authoritarianism in Latin America?

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### Paradigms and Paradigm Shifts

During the 1970s, when some of the early pioneering studies of authoritarianism and corporatism appeared, it seemed to many scholars that these features might be permanently entrenched in the Iberian and Latin American political process, so deeply embedded in the history, culture, sociology, and political institutions of the area that little change was possible.<sup>1</sup> After all, Francisco Franco in Spain, Antonio Salazar in Portugal, Alfredo Stroessner in Paraguay, the Somozas in Nicaragua, and the Revolutionary Institutional Party (PRI) in Mexico had already been in power for three, four, or more decades; and the generals and colonels then in power in Brazil, Chile, Uruguay, Bolivia, Ecuador, Panama, Honduras, Guatemala, and El Salvador—virtually everywhere—seemed determined to follow that model. Many scholars at the time wrote pessimistically about Latin America, seeing little hope for democracy and pluralism and predicting the long-term persistence of authoritarianism and corporatism.

That pessimism, we now know, was overstated and overly deterministic; whether it was also wrong as interpretation is at the heart of the argument in this book. For beginning in the late 1970s, many Latin American countries shed their authoritarian regimes and began an impressive series of transitions to democracy. Today nineteen of the twenty countries—all except Cuba—are at least formally democratic.

Accompanying these democratic transitions was a paradigm shift in

the way we think about and analyze Latin American politics and political systems. The 1970s had been a decade in which the corporatism-authoritarianism paradigm, reflecting the presence of so many military regimes, was dominant; but by the 1980s it had been replaced by a new paradigm, the transitions-to-democracy approach. Two major, and as it turned out overly large and inaccurate, assumptions were involved in this paradigm shift. The first is that democracy had completely and definitively replaced authoritarianism and corporatism as the major, perhaps the only, institutional arrangement in Latin America. The second is the close association, including that made in the earlier Malloy book, between authoritarianism and corporatism. If authoritarianism, at least at the national political level, was disappearing in Latin America and was now replaced by democracy, then corporatism, presumably intrinsically connected to authoritarianism, would be disappearing as well, to be replaced by a regime of unfettered liberalism, pluralism, and free associability.

It has not quite worked out this way. Latin American democracy is in deep trouble in almost all countries of the region. While we have formal or electoral democracy in most countries, we do not have genuinely liberal or pluralist democracy. Corporatism persists in new forms; demands for “strong government” or authoritarianism are again on the rise; there have been numerous recent coup attempts; discontent and disillusionment with democracy are widespread. Within the transitions-to-democracy paradigm, these problems have led to a focus on the “problems of democracy” and the need to “consolidate” and “institutionalize” it. Most of the authors of this book have no problem with that approach as wish, hope, and prescription; we too want democracy in Latin America to succeed.

But this book’s analysis tends to suggest that the shift from the corporatism-authoritarianism to the transitions-to-democracy paradigm was too abrupt. We, in fact, find a great deal of continuity in Latin America between the earlier and the present eras. We find the persistence of corporatist and authoritarian forms and practices even in the new, supposedly democratic era. We tend to see not just the “problems of democracy” but, viewing the issues through another lens, the maintenance of earlier corporatist and authoritarian or top-down practices and institutions even while the outward forms have changed. Our inclination, therefore, is to say to the advocates of the transitions-to-democracy paradigm, “Whoa!” and “Not so fast.”

While we are also hopeful for democracy in Latin America and are impressed by the progress made so far, analytically we believe that a proper understanding of both the area's democratic accomplishments and its travails requires the combined use of *both* the older corporatism-authoritarian framework and the newer democracy one. For both are present within the region in mixed, fused, often overlapping forms. And our understanding of the area needs to reflect this complexity, the crazy-quilt patterns and halfway houses that exist. Hence, while we are encouraged by Latin America's progress toward democracy and believe the transitions-to-democracy paradigm useful, we find such an approach needs to be complemented by an understanding of the corporatism-authoritarianism approach, whose echoes still ring powerfully in virtually every country of the area. We do not want our wishes for Latin America—democracy, pluralism, free associability—to get ahead of the hard realities that exhibit more mixed forms.

### **Authoritarianism and Corporatism in the Interpretation of Latin American Politics**

Authoritarianism and corporatism have a long history in Latin America and in our interpretations of the area as well. We all understand, more or less, what authoritarianism means: top-down, absolutist, dictatorial control by one person, a military regime, an elite, or, as in Mexico for seventy years, a monopolistic political party. Corporatism is a little harder and more controversial concept to define: generally, it means the organization of society by functional groups—military, business, the church, organized labor—rather than on an individualistic basis and, instead of genuine pluralism, autonomy, and freedom of association, the organization, regulation, and *control* of these groups under state authority. It will be readily apparent that these two features are often closely related; included in the roster of controls in a dictatorial or authoritarian regime is usually tight control over the country's social, political, and interest groups.<sup>2</sup>

Authoritarianism and corporatism have long been present in the structures and practices of Latin American government and politics. Prior to independence, the Spanish and Portuguese colonial systems were extremely authoritarian, with power flowing hierarchically from the king down to his subjects in an absolutist fashion, with virtually no grassroots participation from below<sup>3</sup>—quite in contrast to the thirteen colonies in

North America, where the seeds of popular representation, democracy, and political and civil rights had already been planted. Latin American independent history in the nineteenth century is similarly replete with examples of dictatorial and authoritarian regimes: Juan Manuel de Rosas in Argentina, Antonio López de Santa Anna in Mexico, Ulises Heureaux in the Dominican Republic, and many others. Latin American corporatism also goes back a long way to the medieval feudal system of estates and group rights (*fueros*) established in Spain and Portugal, and to the non-individualistic or corporate character of the colonial system dominated by royal authority, the Roman Catholic Church, the occupation military forces, the colonial bureaucracy, and the emerging quasi-feudal landed oligarchy. Similarly, in the nineteenth and early twentieth centuries, Latin America was governed ostensibly by republican constitutions but de facto by such powerful corporate groups as the “unholy trinity”—the Church, the army, and the oligarchy.<sup>4</sup>

In the twentieth century, beginning in the 1920s and 1930s under the impact of the world depression which helped undermine the older oligarchic system, along with industrialization, economic development, and vast social changes, Latin America began to democratize and become more pluralistic. But then successive waves of military coups hit the area, giving rise to widespread doubt that Latin America could ever leave behind its authoritarian and corporatist past and move into a new era of democracy, pluralism, and individual human rights. Only in the last twenty-five years has Latin America begun to practice democracy again, repudiating the dictatorial and human-rights-abusing regimes of the most recent authoritarian wave. Today all the countries but Cuba are democratic—at least formally—in law and constitution.<sup>5</sup>

But that is precisely the issue explored here: Just how democratic is Latin America? Has it put its authoritarianism and corporatist practices and institutions in the past, or are they likely to reemerge in the not too distant future? Related is the question of whether Latin American history is cyclical—with dictatorships giving rise to a longing for freedom, then democracies proving chaotic and/or ineffective and evoking a desire for the stability and order of an authoritarian regime again—or evolutionary, becoming more pluralist over time and developing a stronger base for democracy that renders the present wave of freer regimes permanent. Another question explored in considerable detail here is whether Latin America practices various mixed or mosaic forms, partly democratic, par-

ticularly on the surface (regular elections, political parties, separation of powers), but with hidden or disguised forms of authoritarianism and corporatism continuing underneath.

These issues are particularly poignant in the present circumstances. Despite some twenty years now, for most countries, of the renewed practice of democracy in the so-called Third Wave, coupled with academic analyses of Latin American democratization that are often more celebratory than coolly analytic, democracy in Latin America is in deep trouble. Most countries still practice formal democracy, but they are often *illiberal* democracies in actual practice. Ecuador, Paraguay, and Haiti have all had military coups or coup attempts in the last several years, and in 2001 Argentina saw its elected government overthrown by street demonstrations. Throughout the hemisphere public support for democracy is declining, from 80–90 percent around 1990 to 50–60 percent today. In some countries—big, important Brazil as well as Ecuador, Paraguay, and Haiti—support for democracy is now dangerously below 50 percent.<sup>6</sup> Many of these voters see democracy as ineffective, as not delivering on promised social and economic development; at the same time, support for “strong government”—which may be a prelude to authoritarianism—is way up. Both Peru’s absolutist Alberto Fujimori and Venezuela’s populist Hugo Chávez were products of this longing for what Guillermo O’Donnell calls “delegative democracy” (and others have called limited, controlled, or “Bolivarian” democracy): elected governments and representative regimes that thus preserve their democratic credentials but in the interim between elections will “delegate” decision making to absolutist leaders or “imperial” presidents who rule without much respect for legislatures, courts, or oftentimes basic freedoms.<sup>7</sup>

And then there is the Argentine case. Here we have probably the most literate, most developed, most urban, most sophisticated, most middle class of all the Latin American countries. By all our usual social science indicators, Argentina should therefore be the most stable and democratic country of the hemisphere. Yet in 2001 the Argentine economy went into a tailspin; its society began to unravel; its democratically elected government was forced to resign, producing the comic-opera spectacle of five presidents in two weeks; chaos and violence ruled in the streets; and the upshot was that the person who *lost* the last presidential election was selected in a nondemocratic process to succeed to the presidency. It is like saying that, when President Bill Clinton was impeached and his popular-

ity declined, he should have been replaced by the man who had lost to him in 1996, Bob Dole! What kind of a democracy is that? If Argentina is the most developed, the most modern of the Latin American countries, we should expect it to be the most stable, the most democratic. But clearly it is not. So we need to raise this troubling question: Does Argentina's chaos, fragmentation, instability, and ungovernability provide us with a picture and "model" of the future of the other, less developed countries of the area, and not the model of democracy that most of us fervently desire for the continent?<sup>8</sup>

## Definitions

Definitions can sometimes be dull, boring, and uninteresting, but we need to go through them in order to make sure that we know what we are talking about, that we are clear, and that we are in agreement on the basic terms used. Let us begin with a definition of democracy. Democracy is not the main focus of this book, but in order to understand its opposites—dictatorship, authoritarianism, and corporatism—we need also to be clear as to what democracy means.<sup>9</sup>

Most definitions of democracy, particularly in American political science, emphasize the procedural and institutional bases of democracy. For example, in his classic book *Capitalism, Socialism, and Democracy*, Joseph Schumpeter defined democracy as a system "for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for the people's vote."<sup>10</sup> In another classic, *The Third Wave: Democratization in the Late Twentieth Century*, Samuel P. Huntington echoed Schumpeter in his emphasis on competitive elections as the essence of democracy.<sup>11</sup> Similarly, in *Polyarchy*, perhaps the best current analysis of democracy, Robert Dahl reiterated but then amplified the institutional definition: (1) a system of organized contestation through regular, free, and fair elections; (2) the right of virtually all adults to vote and contest for office; and (3) freedom of the press, assembly, speech, petition, and organization.<sup>12</sup> Later, Dahl expanded his definition to encompass eight criteria: (1) freedom to form and join organizations, (2) freedom of expression, (3) the right to vote, (4) eligibility for public office, (5) the right of political leaders to compete for support, (6) alternative and diverse sources of information, (7) free and fair elections, and (8) institutions to make government policies depend on votes and other expressions of popular preference.<sup>13</sup>

It is possible to quarrel with this definition in various particulars, but here I do not wish to do so in any great detail. I will say, however, that while I believe elections are crucial to democracy, I believe other things are also important, hence the need for an expanded, more ample definition. For example, (1) this definition is strongly reflective of U.S. and Western European-style democracy, but I would want to see some adjustment for Third World and non-Western practices, such as consultation processes and definitions of rights that are not Western-derived; (2) in addition to elections, I would like to see such political-cultural factors as trust, civility, tolerance, and mutual respect for differences built into the definition; and (3) the argument can be, and often is, made that social and economic democracy and/or egalitarianism also needs to be factored into democracy's definition. We remain open to all these suggestions, but they are not fundamental to the immediate issue here.

For our purposes, the working definition of democracy offered here is useful in two ways. First, with its emphasis on fair, honest, competitive elections, contestation, and other basic rights, this definition enables us to sharply distinguish democracy from dictatorship, authoritarianism, and totalitarianism, as we shall see below. Second, with its emphasis on freedom of assembly, association, and organization, the freedom to form and join organizations, and what in the literature is called "free associability," we can also distinguish democracy from corporatism, one of whose definitions includes state regulation and often control of interest-group activity.

With regard to authoritarianism, we need to make several points. First, authoritarianism is a form of dictatorship, of absolutism, of tyranny. It implies concentrated power in the hands of one man, a clique, an elite group, military officers, or a party, as distinct from the dispersed, competitive, pluralistic power found in a democracy.

Second, authoritarianism, when present, is not usually just limited to the top of the political pyramid but is often apparent throughout society, at local, social and familial, and regional levels as well as national ones. Husbands may exercise authoritarian control over their wives, fathers over their children, landowners over peasants, elites over masses, and local godfathers, *caudillos* (men on horseback), or mayors over their people. It is *possible* for the top of the leadership hierarchy to be authoritarian and dictatorial while the society underneath is democratic, but the general pattern is that authoritarianism at the top usually reflects a society that is also authoritarian at other and lower levels. I recall how one poli-

tician in the Dominican Republic put it during a campaign speech while waving a cattle prod in the air: “I need authority for my cattle and I will need authority for my people!” The audience of peasants and cane cutters cheered. In other words, authoritarianism is often societywide and a cultural phenomenon, not just limited to one man, the dictator, or the political structure. Or, as one Dominican historian, speaking of his country’s bloody former dictator, told me, “You have to remember, Howard, that there is a little of Trujillo in every Dominican.”

Third, authoritarianism is the product of a certain kind and level of development in society, of traditionalism and often of the transition to modernity. One can easily see why authoritarianism is prevalent in traditional societies: it is often the time-tested way of social and political life; it often reflects widespread existing social and political norms; and in societies without other strong institutions, there may be no alternative—no democratic option, for example. But for societies in transition, such as most of those in Latin America, the issue becomes more complicated.<sup>14</sup> In this phase democracy is often preferred in the abstract or as an ideal, but the reality is that democratic institutions are still weak; they fail often to deliver on their promises of social and economic reform; and they may give rise to gridlock, instability, the chaos of street demonstrations, hence ungovernability and the reluctant desire for order, discipline, and “strong government”—that is, authoritarianism. It should not be entirely surprising, therefore, that in the transitional political systems of Latin America we find mixes, overlaps, and sometimes crazy-quilt patterns of democracy *and* authoritarianism, both present at the same time or perhaps alternating in power.

Fourth, we need to distinguish between authoritarianism and totalitarianism.<sup>15</sup> Authoritarianism is a product either of traditionalism or of the transition away from tradition, of the need for order and authority during the breakdown of older forms of authority but before newer and hopefully more democratic forms have had a chance to become consolidated. In Weberian terms, authoritarianism is an intermediary or “charismatic” stage between older, hidebound forms of familial, tribal, or elite authority and the newer rational-legal and participatory systems of democracy.<sup>16</sup> But totalitarianism is also a product of modernity, of technology, of modern communications and thought-control techniques, and of modern bureaucratic methods of control. Various Latin American regimes—Juan Perón in Argentina, Rafael Trujillo in the Dominican Republic

lic, Fulgencio Batista in Cuba, Alfredo Stroessner in Paraguay, Augusto Pinochet in Chile, Anastasio Somoza in Nicaragua—may be viewed as transitional between traditional authoritarianism and modern totalitarianism, precisely because they have presided over societies going through the transition from tradition to modernity and are thus able to take advantage of modern methods to impose even greater or near-“total” control.<sup>17</sup>

Finally, authoritarianism needs to be seen as a syndrome of traits, changing over time, but clearly distinguishable from both democracy on one hand and totalitarianism on the other. In Juan Linz’s famous formulation (his specific case study was Franco’s Spain),<sup>18</sup> authoritarianism consists of:

1. Limited pluralism, without either the full pluralism of democracy or the total control of totalitarianism;
2. No elaborate or guiding ideology as in totalitarianism, but a “distinctive mentality” (conservative, Catholic, emphasizing discipline, order, and patriotism) that is not tolerant or democratic;
3. No intensive political mobilization as in totalitarianism, but only limited opposition allowed, if any, and certainly no democratic participation;
4. Power concentrated in a leader or small group and exercised from the top down—not totalitarian power, but certainly not democratic either.

We are now in a position to see where corporatism fits into this system. For corporatism is often one additional instrument of state, authoritarian, or dictatorial control, since it implies state or governmental licensing, regulation, and ultimately control of all social or interest groups in the society and their subordination to regime authority. In this respect, corporatism also stands in contrast to, and intermediary between, totalitarianism on one side and democracy on the other. In its licensing and regulatory functions it is usually not so extreme as totalitarianism, but neither does it allow the unfettered, virtually unregulated, and almost anarchic play of American-style interest-group pluralism.

In the literature, corporatism has been subjected to conflicting definitions and interpretations, which probably have as much to do with the conflicting orientations and even egos of the scholars involved as with any disagreement over the substance. Thus Philippe Schmitter, largely on the

basis of his studies of the authoritarian regimes of Getúlio Vargas in Brazil and Antonio Salazar in Portugal, writes: “Corporatism can be defined as a system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, noncompetitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports.”<sup>19</sup> This is a useful, if overly long and awkward, definition; note especially that it is not tied to any one geographic or culture area.

In contrast, while also searching for a global or universal definition, I have been mainly concerned with the emergence and particular form of corporatism in southern or Mediterranean Europe (Greece, Italy, Portugal, Spain) and Latin America, and have sought to locate the origins of that system, at least in part, in the culture and history, the class structure, and the political sociology of ancient Greece, Roman law, medieval Christianity, the Italian-Spanish-Portuguese system of estates and medieval guilds or “corporations,” and the carryover of these features from feudal Spain and Portugal to Latin America.<sup>20</sup> The definition I have arrived at derives from historical-cultural and political-sociological or structural features and is, in fact, quite similar to Schmitter’s, involving a syndrome of traits:

1. A strong tradition of functional, communalist, or group organization of society, as compared with American-style individualism;
2. A strong, directing, mercantilist, Colbertian, authoritative state, as contrasted with the weak state tradition in the United States;
3. Restrictions on interest-group activity, requirements of state recognition of interest groups (“juridical personality”), limits on or control over (in authoritarian regimes) group activity, as compared with the free associability of U.S. interest-group activity;
4. Incorporation (often co-optation) of functional/interest groups into and as part of the state system, with responsibility both for representing members’ interests in and to the state and for helping the state administer and implement policies, in contrast to the independence of interest groups from the state under liberalism.<sup>21</sup>

Although Schmitter’s definition of corporatism seems, in the use of such language as “singular,” “compulsory,” “noncompetitive,” “hierar-

chically ordered,” and “monopoly,” to be keyed mainly to its authoritarian forms—a feature for which it has been widely criticized—in his distinction between “state” (dictatorial) and “societal” (democratic, participatory) corporatism he makes an important contribution that enables us to find forms of corporatism in both authoritarian and democratic systems. Similarly, while my own early work on corporatism in the 1960s and 1970s during the height of the wave of military dictatorships in Latin America associated it with authoritarianism, my later work on how corporatism evolves and is transformed helps explain how it persists in transitional and even democratic regimes as well.<sup>22</sup>

The main points to note are (1) how close these two formulations, one a formal definition, the other a syndrome of traits, are to each other; and (2) how both scholars came to see corporatism as present—in different forms, to be sure—in both authoritarian and democratic regimes. These common points of departure in the main theoretical literature help us understand one of the main points of this book: that corporatism, while often associated with authoritarianism, may also be present in revised form in transitional, democratic, and various other kinds of regimes as well. And that point helps us understand both the continuing vicissitudes of democracy in Latin America and the persistence of corporatism even in today’s more open, pluralistic regimes.

### History and Sociology of a Concept

The history and sociology of authoritarianism as a concept are familiar and relatively easy to trace;<sup>23</sup> indeed, its terms have become an everyday part of our language. Michigan State University’s Spartans derive their name from the strong, authoritarian ancient Greek city-state of Sparta, which is placed in contrast with democratic Athens. The Greeks also invented the word *tyranny* to describe a corrupted form of monarchy; *Caesarism*, or absolute personal rule, comes to us from ancient Rome; *despotism*, whether enlightened or otherwise, comes to us from the Middle Ages as a way of describing monarchs who run amuck; *Bonapartism* often refers to transitional, charismatic leaders who seize power and ride roughshod over constitutional guarantees. In Latin America there is a long tradition of dictators, *caudillos*, and men on horseback. In other countries and cultures, *czar*, *shah*, *sultan*, and *chief* are the terms often used.

All of these are more or less traditional forms of authority. Typically,

they employ military and political methods of control and occasionally some economic and social controls. But none of these earlier forms of authoritarianism employs the modern or technologically conditioned methods of today's totalitarianism: thought control, brainwashing, terrorism, mass propaganda, mass mobilization. Totalitarianism is thus something new, a product of the twentieth century and of modern technology and organizational models.<sup>24</sup> Most Latin American dictatorships have been of the traditional or authoritarian rather than totalitarian kind, although, as the area has modernized, some regimes have also employed totalitarian techniques.

Corporatism is a less familiar concept to most of us, and more complicated. Quite a number of authors trace its origins back to societies that are communalistically or group organized, into tribes, castes, clans, extended families, localities, ethnicities, and other basic societal conglomerates, as distinct from the individualism of the United States. These communal groups are often said in the literature to be the earliest or "natural" corporative units of society, organic and integral to it. A related distinction is between societies or, later, countries that are organized by functions—military, rulers, priesthood, artisans, peasants—with their system of representation similarly based on these functional groups, and the North American conception, again highly individualistic, of one person, one vote.<sup>25</sup>

The ancient Greeks, for example, divided society both by functional groups (soldiers, priests, laborers) and by classes, which they assumed were "natural," a conception they used to justify a "natural" slave class.<sup>26</sup> Ancient Rome greatly elaborated the Greek conception, evolving a more complex system with larger numbers of social and functional groups, giving them a legal basis, providing for the juridical recognition of such groups by the state, and organizing a corporate or group basis of representation.<sup>27</sup> In the Middle Ages, especially in the writings of Saint Thomas Aquinas and other Catholic theologians, this system of class hierarchies and (nonindividualistic) functional representation acquired a Christian and, therefore, immutable legitimacy.<sup>28</sup>

Patterning themselves after ancient Rome but turning the Roman system into a Christian conception, medieval Spain and Portugal were similarly organized on both a class and a functional or corporate basis. The main classes or "estates" were the nobility, the clergy, and the commons, with numerous subclasses within these ranks. The principal corpora-

tions included the Church, the military, bureaucratic officials, the guilds, artisans, and craftsmen. It is apparent that some of these groups overlapped: the Church was both an estate and a corporation. It is this structure of a class- or estate-based *and* a corporate- or functionally based system of organization that Spain and Portugal carried with them to the New World.<sup>29</sup>

In the Americas the colonial powers sought to replicate the only model known to them, the same class- and corporately based society that they had at home.<sup>30</sup> But Latin America was even less well organized than were the mother countries; distances and natural barriers such as the Andes or the Amazon Basin were vast; and the colonial capitals and administrative centers back in Europe were far away, all but incommunicado, and too distant for decrees or administrative procedures emanating from Madrid or Lisbon to have much or immediate effect. On the other hand, in the New World, Spain and Portugal found a new “natural” slave class in the form of the indigenous Indian population, and when that ran out or was decimated by disease, their colonies imported African slaves, who similarly formed the lowest rung of the Thomistic hierarchy. In addition, some of the larger indigenous civilizations were already organized on a class and corporatist basis (rulers, soldiers, priesthood, laborers) much like the Spanish and Portuguese colonial systems,<sup>31</sup> so all the colonial powers needed to do was substitute their own elite and authoritarian governing structure at the top for the Indian one, meanwhile keeping the rest of the structure of Indian society intact. In this way the structure of the indigenous communities—similarly authoritarian and corporatist—reinforced the colonial structure brought over by Spain and Portugal. Obviously, this system would evolve and eventually change in various particulars over time, but what is striking is how little fundamental change occurred in this pyramidal, authoritarian, top-down, corporatist structure over the three centuries and more of colonial rule.

In 1776 the thirteen colonies in North America had their political revolution; in 1789 came the French Revolution; and two years later France abolished corporate privilege and the system of estates that went with it. It took some time for all these revolutions to arrive in Latin America, and when they did, they were in a very different form. First, the Latin American revolutions for independence in the early nineteenth century were conservative revolutions, aimed at severing ties with the mother countries but at preserving the conservative, elitist, hierarchical society that had

been in place so long.<sup>32</sup> Second, even though the laws and constitutions of the new Latin American countries proclaimed republican values and the separation of powers, in fact power remained concentrated, top-down, and often authoritarian.<sup>33</sup> Third, even though, following France, most of the Latin American countries eventually got around at least formally to abolishing corporate privilege, de facto the dominant groups in Latin American society throughout the nineteenth century remained the Church, the oligarchy, and, replacing royal authority and constituting perhaps the most corporatist of all groups, the newly created armed forces that would dominate so much of Latin American history throughout the nineteenth and twentieth centuries.<sup>34</sup>

The history of Latin America in the nineteenth and early twentieth centuries was generally one of instability, disorganization, and very slow progress. This was due in part to underdevelopment, institutional weaknesses, inexperience in self-government, class and racial rigidities, and geographic barriers. But it was also due in part to the hodgepodge, confused, unresolved, coexisting, and overlapping nature of political institutions: democracy *and* authoritarianism, individualism *and* communalism, free associability *and* corporatism, laissez-faire *and* statism. Thus, while the laws and constitutions were republican and democratic, actual political practice was often oligarchic and authoritarian—or alternated between a liberalism that verged on chaos and an absolutism that was frequently brutal. Similarly, while these same laws proclaimed North American-style individualism, the actual power structure was usually elitist, organic, and corporatist.<sup>35</sup>

Meanwhile, in Europe corporatism was going through a metamorphosis that, like these earlier ideas and political developments, would belatedly find expression and institutional form in Latin America. Immediately after the French Revolution and the 1791 law abolishing the medieval corporations, and for about fifty years thereafter, Catholic political thought was mainly reactionary, seeking to restore the pre-1789 status quo. But beginning about the mid-nineteenth century, along with the rise of industrialism and vast social change, Catholic thought began to deal realistically with “the social question”: the rise of organized labor and the need to integrate it into the political process. I have elsewhere treated these developments in greater detail than is possible here, but a brief summary of the main themes is needed here.<sup>36</sup> In contrast to the class-conflict theory of Marxism, Catholic theorists posited a social order in which

labor and business would coexist in harmony under the guidance and tutelage of the state. To advance this vision they created an organization of Workers Circles in many European countries, later transferred to Latin America, that rivaled the Marxian unions, and an institutional structure in which labor and employers could peacefully work out their differences. They called this ideological/political movement *corporatism*; clearly, while showing continuities with the past, this new form of corporatism was quite different from the earlier medieval form.

Corporatist theorists of the late nineteenth and early twentieth centuries thus sought to carve out a middle ground, a “third way,” between capitalism and socialism. Although there were Protestant and secular-bureaucratic forms of corporatism, its greatest influence was in the Catholic countries, which were strongly impacted by the papal encyclicals *Rerum Novarum* (1891) and *Quadragesimo Anno* (1931). These encyclicals, whose recommendations found their way into the constitutions and political systems of many European and eventually Latin American countries, called for the corporatist or functional organization of society, the incorporation of labor and other groups into the political process, but all this under state and/or religious control and auspices. It should also be said that while corporatism as here depicted sounds generally like a conservative political philosophy, there were left-wing versions as well (syndicalism, guild socialism), and even some corporatist influences in the United States in Franklin Roosevelt’s groups-oriented New Deal—for example, in the Works Progress Administration (WPA) and the Tennessee Valley Authority (TVA).

The corporatist movement grew slowly in the decades leading up to World War I. Then in the decades between World Wars I and II, under the impact of the perceived Bolshevik threat, the world depression of 1929 and thereafter, and the political crisis of the 1930s, it exploded onto the European stage. Virtually every government or regime in Europe adopted one or another form of corporation, either in whole or in part. These included Italy under Mussolini, Spain under Franco, Portugal under Salazar, Germany under National Socialism, Poland under Pilsudski, France under the Vichy regime, Greece under Metaxas, and eventually Hungary, Albania, Bulgaria, Estonia, Latvia, Belgium, Austria, Turkey, Ireland, Czechoslovakia, Lithuania, and Romania. Even those countries that remained generally democratic during the interwar period—Great Britain, the Netherlands, the Scandinavian countries—adopted limited forms of

corporatist organization or representation, later called “social” or “democratic” corporatism.<sup>37</sup>

In the 1930s and 1940s corporatism spread to Latin America. As in Europe, one or another form of corporatist organization was adopted by virtually every regime, including those of Juan Perón in Argentina, Getúlio Vargas in Brazil, Carlos Ibáñez in Chile, Manuel Odría in Peru, Rafael Trujillo in the Dominican Republic, Laureano Gómez in Colombia, Velasco Ibarra in Ecuador, Jorge Ubico in Guatemala, Anastasio Somoza in Nicaragua, Arnulfo Arias in Panama, Alfredo Stroessner in Paraguay, Maximiliano Hernández in El Salvador, and Tiburcio Carías in Honduras. In addition, Mexico’s Revolutionary Institutional Party (PRI), Bolivia’s National Revolutionary Movement (MNR), Peru’s American Popular Revolutionary Alliance (APRA), and a whole host of others were organized on a corporatist or functional-group basis. Corporatism, often in combination with authoritarianism, seemed ubiquitous in both Europe and Latin America.<sup>38</sup>

But with the defeat of fascist Germany and Italy in World War II, the more authoritarian forms of corporatism largely disappeared in Europe—although we know that quite a number of countries continued to practice a hidden or disguised form of corporatism. However, in Latin America, which had largely stayed out of World War II, corporatism continued to be practiced rather openly by most of the regimes named above, some quite blatantly and others without calling themselves corporatist. Or else they practiced a mixed form that included some liberal elements (competing political parties, regular elections, separation of powers) combined with corporatist ones—especially in the areas of state control over organized labor, social welfare legislation (by functional labor categories rather than generalized), and functionally representative councils of state. Samuel P. Huntington puts the time span of this authoritarian-corporatist period in Latin America as 1930–55.<sup>39</sup>

From the mid-1950s until the early 1960s in Latin America, corresponding in the United States to the end of the Eisenhower presidency and John F. Kennedy’s Alliance for Progress, the area went through a brief democratic interlude. New and democratic political parties and interest groups were founded and public policies initiated. Regular elections were held and, for a time, the United States sought to support democracy against its authoritarian challenges. In the labor and social welfare areas as well as in the highest councils of government, however, corporatism

and elite functional and corporatist forms of representation often continued to be practiced.<sup>40</sup>

Then, beginning in 1962 in Argentina, in 1963 in the Dominican Republic and Honduras, and in 1964 in Brazil came a new wave of authoritarianism. By the mid-1970s, fourteen of the twenty Latin American countries were under military-authoritarian rule and three others were governed by civilian authoritarians, leaving only Colombia, Costa Rica, and Venezuela as (more or less) functioning democracies. These military-authoritarian regimes moved to restore corporatism often, as in Chile under Augusto Pinochet, with a vengeance. Quite a number of them sought to resurrect the more blatant and ideological (as distinct from quiet or hidden) forms of manifest corporatism from the 1930s. In this they were sometimes inspired by a new, often depressing body of literature that suggested authoritarianism and corporatism were quite natural and functional in Latin America, perhaps inherently and permanently so.<sup>41</sup>

In the late 1970s, however, began the most recent, or “third wave,” redemocratization. Authoritarianism and corporatism were supposedly swept away by this new wave, banished by the so-called “Washington consensus” of democracy, open markets, and free trade. But were they? Is Latin America really fully democratic and, the reverse side of that coin, free from authoritarianism and corporatism? That is what this book is all about.

## Key Questions

The “third wave” of democracy began in southern Europe (Greece, Portugal, Spain) in the mid-1970s and then spread to Latin America in the later 1970s and 1980s. It swept away many of the area’s repressive and authoritarian regimes and made it possible for democracy, submerged in most countries since the 1960s, to reemerge. By the 1990s nineteen of the twenty Latin American countries (Cuba was the exception) had governments that were elected and at least formally democratic. Similarly, the human rights situation in almost every country was considerably better than it had been a decade or two earlier. Hopes soared that democracy in Latin America might finally be not only reinstated but consolidated as well.

The reemergence of democracy in Latin America was accompanied by

an outpouring of books and studies that analyzed the transitions to and the hoped-for consolidations of democracy—and that celebrated these trends. My own position is, of course, also to be supportive of democracy, but that should not blind us or lead us to ignore the difficulties involved, the hard realities of the area, and the sobering fact that Latin America has so far only incompletely democratized. Difficult issues and problems lay ahead, but some authors were so enamored of the democratization process that they closed their eyes to the weaknesses and fault lines remaining.<sup>42</sup>

Particularly those who believed in an “institutionalist” interpretation of politics thought that if only Latin America could get its laws and constitutions right, develop political parties, hold elections, negotiate pacts among business, labor, and the state, then Latin America’s democratic future would be assured. This was a naive position, familiar throughout Latin American history, that the writing of beautiful laws and constitutions by itself was sufficient to secure democracy. We all understand, of course, that countries want to get their laws, constitutions, and institutions of government correct; but we should not be under any illusions that those steps by themselves and in the short run are determinative, or that “mere” laws are sufficient to change economic realities, social and class structure, political power realities, and underlying cultural norms. (The author recalls Guillermo O’Donnell once confessing at an International Political Science Association conference in Quebec City that, as an institutionalist, he had proven to be “completely wrong” and was now forced to rethink his views “in every way.”)

As we move into the twenty-first century, it is plain that Latin American democracy—and the Washington consensus that goes with it—is in deep trouble. Several countries have had coups or near-coups. Populist leaders like Alberto Fujimori in Peru or Hugo Chávez in Venezuela have ridden roughshod over the constitution and democratic procedures. Democracy throughout Latin America is widely perceived to be inefficient, corrupt, ineffective, and not delivering on its promises. Public support for democracy has dropped from 80–90 percent in the early 1990s to 50–60 percent in most countries today. In some cases—Ecuador, Paraguay, and big and important Brazil—support for democracy has dropped into the 40- and even 30-percent range. In most countries, support for what we think of as democracy’s essential institutional bases—parties, labor unions, legislatures—is down at 10–20 percent.<sup>43</sup> Under these conditions, democracy is unlikely to last long.