**The citizen revolutions in Latin America**

by Francois Houtart

It is necessary to remember, if we are to understand the evolution of the progressive Latin American countries, that they have come out of a neoliberal period that affected the whole continent for more than two decades, as from the 1980s. Based on dictatorships and guided by the international financial organizations, such as the IMF and the World Bank, the economies were liberalized, the embryonic social security systems were dismantled and the States were subjected to structural adjustment – in other words to budgetary restrictions that were basically imposed in order to pay the interest on external debt.

**Coming out of ‘neoliberalism’**

Political resistance and that of social movements was organized in most of the countries in the continent and in a number of them they succeeded in toppling the existing regimes, in particular through the ballot box. In the case of Nicaragua and Salvador this was thanks to guerrilla struggles. In others, there was an attempt at a coup d’état that later ended up in elections, as in Venezuela. Elsewhere it was through elections. New political formations appeared, largely as the political expression of the social movements: the Workers Party (PT) in Brazil, the Movement towards Socialism (MAS) in Bolivia, the Sandinista National Liberation Front (FSLN) in Nicaragua, the Farabundo Martí National Liberation Front (FMNL) in Salvador, the Alianza País (AP) Movement in Ecuador.

These new political formations absorbed many of the leaders of the social movements, thus weakening them for lack of replacement. In time, the new parties did not escape the traditional defects of the Latin American political sphere – nepotism, corruption, *caudillismo –* thus losing some of their moral influence.

The new constitutions played an important role in initiating changes. In Ecuador and Bolivia huge numbers of people participated in preparing them and they introduced hitherto unheard of notions, such as *buen vivir*, inspired by the philosophy of the indigenous peoples, pluri-nationality and the rights of nature.

It was a difficult transition as it required building the new while the old structures were still in place, particularly in the economic field, while the decision-making powers were often outside a continent that was peripheral vis-à-vis the centres of capitalism. Evidently there were strong reactions. Thus on the eve of the elections that were to bring Lula to power in Brazil there was a massive withdrawal of foreign capital. In Salvador, at the beginning of the elections, there were rumours circulating that if the FMNL won, the United States would prohibit the transfer of migrants’ earnings, which are the main source of foreign currency in the country. In Venezuela, after the electoral victories of Chávez and Maduro, the local capitalists organized artificial shortages of basic consumer goods.

**The ‘post-neoliberal’ measures**

It is only in Latin America that there have been political systems that have adopted post-neoliberal measures. It has not happened in Asia or in Africa, nor in the Arab world and even less in Europe where the European Union has been applying liberal measures ad nauseum in order ‘to get out of the crisis’, as if the crisis did not originate in those very measures! As for the United States, it was no exception to the rule. Therefore it was necessary to reconstruct the functions of the State that had been eliminated by neoliberalism which had however conserved or reinforced the juridical system protecting private ownership of the means of production and considerably strengthened the forces of repression, while social investments and public services had to pay for economic fundamentalism.

In the progressive Latin American countries, priority was given to the social and economic role of the State and to the development of public facilities, especially in the field of health and education. None of them took such advanced measures as the Cuban revolution had done and they all remained in the framework of a mixed economy, conserving the pluralism of education and health operators. The NGOs that had had an important role during the neoliberal period in making up for the shortcomings of the system mainly through numerous development projects, saw their field being reduced: some interpreted this as an attack on freedom.

Also, the world economic context contributed by favouring also the countries of the continent that wanted to enter a post-neoliberal era. In fact, the price of primary commodities, oil, minerals, certain agricultural products increased and, for a decade the foreign currency income grew considerably, thus facilitating policies for public investments and social protection. But at the same time there was relative de-industrialization and an acceleration of extractivism, which has been the cause of social conflicts, especially with the indigenous populations that are directly affected. With the fall in prices as from 2014, there were serious problems for countries like Venezuela, Ecuador and to a less extend Bolivia. In addition, the crisis of the central capitalist countries impacted on the demand for primary commodities, there was a slowing down in the growth rate of China while the United States and their allies in the Gulf carried out aggressive oil policies to weaken their Russian, Iranian and Venezuelan adversaries.

As for social policies, the fight against poverty had priority. In a few years, thanks to programmes such as the *bolsa familia* in Brazil or the humanitarian vouchers in Ecuador, millions of people have been brought out of ‘extreme poverty’ and of ‘simple poverty’, according to United Nations categories. These programmes, which are usually decentralized to the municipal level, are linked with the obligation to attend a health centre and the schooling of small children. However, the Gini co-efficient (which measures the gap between the richest and the poorest) has hardly been affected. In fact, while the poor have gradually got out of their situation (although the figures still stand at more or less 10 per cent, according to country), the rich have become richer and, in certain countries like Brazil, much richer.

This type of war on poverty does not produce ‘social actors’ but rather political ‘clients’. Its contribution cannot be denied but it has to be criticized, in spite of the humanitarian concern that generated it. Moreover, the countries that have remained neoliberal, like Colombia, Mexico, Costa Rica and to a large extent Peru and Chile, also have started similar programmes, sometimes with similar results, or even slightly better ones. But these measures are taken in quite a different spirit: inspired by the World Bank, which has long been considering this a major issue in the belief that reducing indigence helps to expand the market. Increasing purchasing power is a key element in consumption therefore, in time, in increasing profits and the accumulation of capital.

Broader access to health and education have also been part of the objectives of the progressive countries of Latin America. In Ecuador, in less than ten years, the number of pupils and students has doubled. University reform tends to reinforce the deficiencies of the system and four super universities have been created, mainly to respond to the demands of the sciences and high-tech. A thousand ‘millennium schools’ are being constructed, replacing the small local schools in the rural regions. The orientation is influenced by the desire to enter into modernity and is inspired by the higher education laid down in Bologna Reform (at the service of the market economy). Reforms in education thus turn out to be relatively technocratic, typical of the development approach (see below).

There is much investment going on into infrastructures. Ecuador has built hundreds of kilometres of excellent roads in very difficult geographical conditions, particularly in the Andes. Brazil is multiplying its hydroelectric dams, especially on the rivers in Amazonia. Urban transport is being modernized, thanks to cableways and subways. Refineries, public buildings and airports are being built. Expenditure on country lanes, peasant agriculture (almost abandoned), bilingual schools, social housing (except in Venezuela) are of less importance. Industrial agriculture for export has escalated, above all in Brazil and Argentina: ethanol, agro-diesel, animal feed and GMOs are encouraged. This is part of the ‘new productive model’ in Ecuador.

**Latin American integration**

As for Latin American integration, important progress has been made. Venezuela has been the main dynamo of the new initiatives. There are still the two historical currents of thought: one advocating the integration of the ‘Great Country’ as Simon Bolivar used to say, and ‘Our America’, according to José Martí, Cuban philosopher and patriot of the 19th century, and the other, in favour of integration with North America, in accordance with the Monroe Doctrine (President of the United States at the beginning of that same century), ‘America for the Americans’, which opposed European colonialism. The progressive countries opted for the first perspective. Hence the constitution of Unasur (Union of the South American countries, of Celac (Community of the countries of Latin America and the Caribbean), the work of Hugo Chávez and of ALBA (Bolivarian Alliance of the peoples of Our America), also conceived by the Venezuelan president. These initiatives are in addition to Mercosur (Common Market of the South) that groups the countries in the Southern Cone and is a prolongation of the victorious struggle against the project of the US president, George Bush, the FTAA (Free Trade Treaty between North America and South America).

On the other hand the countries that have stayed neoliberal are faithful adherents of the OAS (Organization of the American States), the headquarters of which is in Washington. They have set up the nations of the Pacific Alliance to promote economic ties with Asia in a neoliberal framework with the United States.

For their part, the progressive countries are also anti-imperialist: Ecuador has closed the US base at Manta, Venezuela regularly denounces the interference of US services supporting the opposition, Bolivia has expelled USAID, the cooperation agency of the United States government.

**Three development models**

What development models are being pursued by the progressive Latin American countries? Three different approaches can roughly be distinguished.

The first project is what might be termed ‘neo-developmentalism’. It is a new version of the project of CEPAL (UN Economic Commission for Latin America) which, in the 1960s, advocated replacing imports through national production and the development of local capitalism. Ecuador, Bolivia and Nicaragua are clearly going in that direction, with the constitution of a modern capitalism opposed to the old oligarchies and accepting the war against poverty, the promotion of formal employment and the reduction of the informal, the setting up of social security and the need for a stable State financed by taxation.

The sectors of finance, internal trade and economic intermediaries with China all prosper. However, the growth of exports to finance the State necessitates new contracts with the extractive multinationals and agro-business and, because of the fall in prices, there is recourse to indebtedness with the World Bank and with the banks from North America, China and the Gulf countries – however on better conditions than previously. As a result there is less attention to ecological problems and little interest in the original peoples (in Ecuador), as well as opposition to the claims of workers, small peasants and the indigenous peoples, who are considered as obstacles to the model. There is a tendency to criminalize resistance and a centralized State is the instrument of these policies.

The second model is clearly social-democrat, accepting capitalism as the basis of growth and distributing part of the social product. This is the case of Brazil, where the Workers Party has encouraged the development of local capitalism in agriculture and attracted foreign capital. Never have the rich earned so much money but, at the same time, some 30 to 40 million have emerged from poverty. On the other hand, there has been no serious land reform and the new government of Dilma Rousseff includes a former graduate of the Chicago school as Minister of Finance and the former spokesman of the large landowners at the National Assembly as Minister of Agriculture. The Landless Peasants’ Movement, after having supported the government at the elections, have virtually declared war against it by returning to the land occupation of the *latifundia*, particularly of the property of one of the government ministers. Argentina and Uruguay are in a somewhat similar situation.

The third case is that of Venezuela. There have been more serious efforts at peoples’ participation, with the comunal initiatives, in which the grassroots decide on how to utilize part of the public budget. Towards the end of his life, Hugo Chávez had stressed the importance of eco-socialism, integrating concern with nature into the socialist project. Unable to rely on the administration of the State at the beginning of his mandate, he set up, with oil revenue, a parallel State and organized different kinds of ‘missions’ for all the public service fields: in health, with Cuban doctors, education at different levels, the social economy, agriculture, indigenous peoples, etc. But the fundamental disease of Venezuela is the rent from oil, which has destroyed local production (everything being bought with petro-dollars), agriculture (70 per cent of food is imported) and all the social norms (violence is social and only partly political). The country has not left behind a political culture of corruption, even if there has been great progress in the social and cultural fields. The desire for fundamental change in the country explains the ferocity of the opposition.

**Conclusion**

The countries of the ‘citizen revolution’ in Latin America are post-neoliberal, but not post-capitalist. This can be explained by the strength of the system that imposes its laws on a global scale, but also by the social vision of leaders, who tend to modernize their countries rather than seeking a new paradigm for the collective life of human beings on the planet. This is done with the support of a popular majority, formed partially by the ‘clients’ of the regimes, in function of immediate advantages. But the fact that they have not extricated themselves from the predominant logic of capitalism also means reproducing homologous social contradictions and renewed class struggle and the forms that it takes. Hence, also, a certain ignorance of ‘externalities’, that is, the ecological and social damage that are not taken into account by capital and are an inevitable ingredient of the model.

It is certainly true that progress has been achieved, but it risks being eroded in a tenser economic situation. True, also, that a return to power of the right would mean a remake of neoliberalism with its great retinue of misfortunes. Nevertheless, the need to go beyond the present situation, which is recognized by several social movements, is absolutely fundamental.