

## **COUNTER-HEGEMONY IN LATIN AMERICA? UNDERSTANDING EMERGING MULTIPOLARITY THROUGH A GRAMSCIAN LENS**

Neil A. Burron

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Résumé de l'article

L'ascension des économies émergentes et le déclin relatif du pouvoir des États-Unis promettent un ordre mondial plus multipolaire et pluraliste. Ceci est particulièrement vrai dans les Amériques, où les gouvernements de la gauche et de centre gauche ont mis au défi les structures impérialistes traditionnelles gouvernant la région. Quelle sorte d'ordre régional émergera dans les Amériques ? Comment s'écarte-t-il de l'ordre capitaliste actuel organisé sous l'égide des États-Unis ? Cet article s'appuie sur le marxisme classique ainsi que de la pensée gramscienne afin d'examiner l'interaction de l'hégémonie et de la contre-hégémonie dans les Amériques, en mettant l'accent sur le Brésil, la Bolivie et le Venezuela. Par l'entremise d'une exploration de l'histoire et la géopolitique de l'ordre régional, de l'émergence de la nouvelle gauche, et de la dominance continue des oligarchies traditionnelles, il affirme que le changement contre-hégémonique demeure toujours une oeuvre inachevée.

# COUNTER-HEGEMONY IN LATIN AMERICA? UNDERSTANDING EMERGING MULTIPOLARITY THROUGH A GRAMSCIAN LENS

*Neil A. Burron\**

The rise of the “emerging economies” and the relative decline of US power hold forth the promise of a more multipolar and pluralistic world order. Perhaps nowhere is this as apparent as in the Americas, where left and centre-left governments have challenged the traditional imperialistic arrangements that have governed the region. What type of regional order will emerge in the Americas? How will this diverge from the current capitalist world order organized under the aegis of the United States? This article draws on classical Marxism and Gramscian thought to examine the interplay between hegemony and counter-hegemony in the Americas, focusing on Brazil, Bolivia, and Venezuela. By exploring the history and geopolitics of regional order, the emergence of the new left, and the ongoing dominance of the traditional oligarchy, it argues that counter-hegemonic change is still very much a work in progress.

L'ascension des économies émergentes et le déclin relatif du pouvoir des États-Unis promettent un ordre mondial plus multipolaire et pluraliste. Ceci est particulièrement vrai dans les Amériques, où les gouvernements de la gauche et de centre gauche ont mis au défi les structures impérialistes traditionnelles gouvernant la région. Quelle sorte d'ordre régional émergera dans les Amériques? Comment s'écarte-t-il de l'ordre capitaliste actuel organisé sous l'égide des États-Unis? Cet article s'appuie sur le marxisme classique ainsi que de la pensée gramscienne afin d'examiner l'interaction de l'hégémonie et de la contre-hégémonie dans les Amériques, en mettant l'accent sur le Brésil, la Bolivie et le Venezuela. Par l'entremise d'une exploration de l'histoire et la géopolitique de l'ordre régional, de l'émergence de la nouvelle gauche, et de la dominance continue des oligarchies traditionnelles, il affirme que le changement contre-hégémonique demeure toujours une œuvre inachevée.

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\* Neil Burron is a political scientist and independent researcher from Montreal. His recent book, *The New Democracy Wars*, explores the politics of North American democracy promotion in Latin America from a Gramscian perspective.

Discussions on the relationship between US hegemony and world order, particularly, the extent to which global political and economic arrangements reflect US interests and, if so, how much longer they may continue to do so, are nothing new. Foreign policymakers and “organic intellectuals” have long voiced concern over America’s relative decline in relation to other powers (Japan and the newly-industrialized countries in the 1980s and, more recently, China), evolving geostrategic threats, and the permanent woes of the US dollar and its role as a world currency. The ballooning debt, the downward spiral of the dollar, the evisceration of manufacturing, and the spectacular financial crises of the 1990s and 2000s have lent new urgency to these discussions, even if the basic premise that the United States once led a stable international order that benefitted most participants has always been fictitious. The illusion of permanent US dominance has been dispelled. For liberal and conservatives commentators, declining US power is a negative thing, one that will inevitably throw into turmoil the supposed achievements of postwar liberalization and democratization. The dark side of US global power—the lengthy and ongoing history of intervention against the aspirations of the peoples of the Global South – disappears in these discussions, which makes it easier to lament the passing of US leadership.<sup>1</sup> On the left, however, scholars and activists have debated the causes and extent of the decline, the stability of global capitalism in the short to medium terms, and the possibility for radical alternatives to the destructive tendencies of the world capitalist order. Still, while most agree that US hegemony has reached its nadir, there is no clear alternative.<sup>2</sup> What type of order will emerging regional powers construct? How will this diverge from the current capitalist world order organized under US leadership? What are the prospects for counter-hegemony and thus for a deeper democratization of both political and economic structures?

It is therefore appropriate that in a collection of essays dedicated to assessing the rich legacy of the great socialist intellectual, Antonio Gramsci, we may also consider how his ideas and the classical Marxist tradition to which he belonged can illuminate the realities and illusions of emerging multipolarity and the possibilities of constructing new political–legal orders based on collective emancipation. Although Gramsci was concerned with historical shifts in the evolution of capitalism as an international force (as his writings on Fordism demonstrate), his key insights on hegemony, understood in the critical sense as the exercise of class domination through coercion and consent and not just in the narrow sense of leadership as defined by

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<sup>1</sup> When it is present, there is a tendency to justify these in terms of Cold War imperatives or to minimize their systematic nature by treating them as “abuses.” Thus, a recent contribution by Sabatini laments the passing of US hegemony, despite its acknowledged historic excesses, and the supposed impact this will have on its ability to promote democracy, human rights and international cooperation in the Americas. Christopher Sabatini, “Will Latin America Miss U.S. Hegemony?” (2013) 66:2 *J Int’l Affairs* 1.

<sup>2</sup> On the left, the instability and weakness of US hegemony throughout the postwar era are brought to light by Desai, who argues that the United States never actually succeeded at constructing a stable world order under its hegemonic leadership. Radhika Desai, *Geopolitical Economy: After US Hegemony, Globalization and Empire* (New York: Pluto Press, 2013). Panitch and Gindin provide a different perspective, emphasizing the dynamism of US capitalism and the stability of the world order it has made in its image. Leo Panitch & Sam Gindin, *The Making of Global Capitalism* (London: Verso, 2012).

international relations theory, provide us with an important starting point in assessing the prospects for change and counter-hegemony within and across the Global North and South in a time of historic flux.<sup>3</sup>

This contribution builds on the insights of Gramsci and classical Marxism to analyze the beginnings of multipolarity and counter-hegemony in the Americas, a region of the world where the influence of the United States has faced growing constraints. Following recent Marxist turns in international relations theory and geopolitical economy, it situates emerging multipolarity within the framework of uneven and combined development through which States guide capitalist development while seeking to maintain or contest privileged positions in the world capitalist order. Gramsci and the neo-Gramscian tradition of international political economy enrich these discussions by suggesting that the outcomes of these contests and the extent to which they break from the limitations of world capitalist order depend upon hegemonic and counter-hegemonic struggles waged nationally and internationally.

Multipolarity itself may or may not transcend the ecological and social limitations of capitalism. Samir Amin outlines the different views of multipolarity in the current conjuncture, with some seeing it as a means of restoring balance in the Atlantic alliance, and others as a safeguard, ensuring that the other two partners in the global triad—the United States, the European Union, and Japan—have more say in the running of world affairs. Others go further and argue for the need of the emerging countries to have a place in the concert of the major powers. However, neither conception of multipolarity provides a satisfactory answer to the real challenges facing the world. Instead, in today's context, multipolarity must entail "a radical revision of 'North-South relations' in all their dimensions."<sup>4</sup> It is in the latter spirit with which the prospects for multipolarity and the various international forces aligning themselves must be assessed. Moreover, it is in the Americas, where new regional contenders and "21<sup>st</sup> Century socialism" have emerged in opposition to the hegemonic pretenses of US-led global capitalism, that the prospects for this radical revision are most apparent.

This article investigates the nature of the regional opposition to US imperialism, the hegemonic projects that underpin the States and regional groupings that are challenging US geopolitical dominance, and the extent to which they contribute to the prospects of breaking with US-led global capitalism within a

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<sup>3</sup> For Gramsci, hegemonic representations of society are constructed socially by organic intellectuals associated with different social groups and classes and confer considerable legitimacy upon the established order. Hegemonic representations are based on "common sense" understandings of the world that speak to people's everyday experience at a superficial level of existence. They are articulated and defended across the multifarious institutions of civil and political society (or the integral State) within realms such as the educational system, State apparatuses, the church and the public media through a totality of institutional and discursive practices that constitute who we are and how we think. See Raymond Williams, *Culture and Materialism: Selected Essays* (London: Verso, 2005).

<sup>4</sup> Samir Amin, *Beyond US Hegemony? Assessing the Prospects for a Multipolar World* (London: Zed Books, 2006) at 2 [Amin].

genuinely-democratic and counter-hegemonic multipolarity. It argues that the struggle for hegemony occurs within a regional order that has traditionally favoured the mutual interests of US capital and Latin America's oligarchy, both of which have looked to the United States to support their dominance.<sup>5</sup> Nonetheless, the emergence of Brazil as a regional contender, the growing economic importance of China in the region, and the shift to the left or centre-left of many States have challenged this traditional arrangement. Such developments are important because they could potentially serve to renegotiate the traditional terms of geopolitical dominance in the region, which have always magnified the worst imperial features of US-led global capitalism. Whereas it is agreed that there are important counter-hegemonic tendencies to US imperialism, particularly through the Bolivarian Alliance for the Peoples of our America (Alianza Bolivariana para los Pueblos de Nuestra América [ALBA]), a regional cooperation organization, this research draws upon the more skeptical literature on the nature of the "left turns" within individual States to provide a less sanguine assessment. It argues that although the hegemonic project represented by the Bolivarian alliance contains counter-hegemonic ideological and institutional elements, in terms of its opposition to US imperialism, it rests upon States that have embraced neo-developmentalism without actually breaking from global capitalism.

There is a sharp divide between the still-neoliberal accumulation strategy of the States within the alliance and the radical aspirations of the popular forces that they purport to lead. This strategy still accommodates and privileges the forms of accumulation favoured by Latin America's oligarchs, though the State has taken on a more assertive role in guiding national development. In other words, the prospects of effective counter-hegemony are greatly reduced by the divisions between the State and the popular classes and their consequent inability to weld a counter-hegemonic social bloc resulted in a break from neoliberalism. In Gramscian terms, there remains an important divide between civil and political society. This means that the emergence of multipolarity in the Americas has so far been limited to counterbalancing US geopolitical power without detaching from global capitalism. The one partial exception is Venezuela.

The analysis proceeds as follows. First, a brief historical survey of the regional order of the Americas in the postwar era is provided, arguing that Latin America's combined and uneven development in the world capitalist system created State forms and structures of accumulation that favoured the interests of landowners and a local capitalism strongly connected to US multinational capital. This perspective, which is deeply rooted in the Marxist tradition, calls our attention to the regional problematic that emerged within the hemisphere: the need to maintain order and security to stabilize highly unequal class relations. Thus, the regional order was organized around coercion rather than consent, with oligarchic States often sharing resources to suppress subordinate classes and ultimately looking to the United States as a guarantor-of-last-resort to maintain their class supremacy. As Eric Hobsbawm remarks, Latin America only witnessed one episode of inter-State war in the 20<sup>th</sup>

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<sup>5</sup> For a discussion of regional order, see Neil Burron, *The New Democracy Wars: The Politics of North American Democracy Promotion in the Americas* (Farnham: Ashgate Publishing, 2012) [Burron].

Century (i.e. the Chaco War between Bolivia and Paraguay), though there were many internal conflicts stemming from State suppression of class-based insurrections, revolts, and revolutions. Cooperation between States often revolved around sharing sovereignty to arrest and reverse these challenges. At the same time, developmental States in alliance with popular classes often challenged traditional power relations, though the nature of these counter-hegemonic challenges was largely nationalist and anti-imperialist rather than socialist.

Second, the shift in the regional order, which occurred following the exhaustion of the authoritarian regimes of the 1970s, when the United States sought to articulate a new hegemonic project combining a low-intensity democracy with the Washington Consensus, is traced. This project aimed to redirect and contain regional-wide popular democratic aspirations through a regional order based on limited forms of political democratization; in Gramscian terms, it amounted to a “passive revolution.” At the same time, its economic component exacerbated class divisions and the United States remained committed to providing military and security aid to control class tensions, including counter-insurgency and counter-narcotic operations. However, the limited democratic openings of the 1980s and 1990s did open space for a revival of national-popular movements contesting neoliberalism and the coming to power of several left-nationalist governments that rejected traditional US imperialism and the more exploitative aspects of neoliberalism. Venezuela, whose opposition to both was at first rather modest, eventually emerged in the vanguard of the regional countercurrent. Brazil and the other industrial economies of South America also began to express their own regional ambitions and more pragmatic opposition to traditional US dominance, which included a willingness to collaborate in US-led operations that afforded them the opportunity to flex their own regional muscle (as the case of Haiti so tragically illustrates). This section ends with a brief examination of new regional groupings, including the ALBA, and suggests that the implementation of counter-hegemonic relations must be assessed against their own national hegemonic projects.

Third, the prospects for a counter-hegemonic alternative to US dominance in the region are assessed according to the class – State alliance that underpin three important Latin American countries – Brazil, Bolivia, and Venezuela—and the extent to which they have broken from or reinforced the neoliberal strategy of accumulation. The question here is whether the coherent counter-hegemonic social blocs that have emerged are increasingly moving away from neoliberalism. Despite social movement and some government attempts to articulate a new hegemony around participatory notions of democracy, anti-colonialism, and regional visions of solidarity, it is maintained that the oligarchs are still very much in charge, though much less so in Venezuela, where the State has assumed control of large parts of the economy. At best, both Brazil and Bolivia tend to be neo-developmentalists, in many ways reminiscent of the left-nationalist governments of the 1960s and 1970s, and are unable or unwilling to seriously challenge the primacy of neoliberal-accumulation strategies. What is more, turning to the larger region, other States, such as Mexico and Colombia, still hold much regional sway and continue to rely upon the United States to maintain order. With North American support, the region’s counter-revolutionaries

are coalescing around the Pacific Alliance as an oppositional pole to the reforms of the Bolivarian Alliance.

Ultimately, the prospects of a regional counter-hegemony, which transcends global capitalism and offers a genuinely democratic alternative to US imperialism, remains dependent upon the ability of popular classes to break the political and economic power of the region's oligarchs. In that struggle, counter-hegemonic forces will need to anchor their regional counter-projects in an alternative geopolitical economy that breaks from the backward and regressive social relations that have long characterized the historical development of Latin America. One final caveat is in order. Given the scope of this analysis, the arguments developed here are meant to be suggestive rather than conclusive. The aim is to spark exchange and debate about how Gramsci and others within the critical tradition can help us understand the deep historic changes that are happening in the Americas and elsewhere, and to further our reflection on what these mean for counter-hegemony.

## **I. Regional order and the Geopolitical Function of US Imperialism**

Gramsci and the remarkable generation of Marxists to which he belonged provided us with a rich tradition of critical thought to draw upon in assessing capitalism and its relation to the State system that retains contemporary relevance.<sup>6</sup> As Desai notes, before the development of Wilsonian idealism or realism, Marxist thinkers like Lenin, Trotsky, and Luxemburg began to flesh out a theory of State relations in the context of world capitalism. Although there is a danger in transposing historically specific analyses to the current conjuncture, there is much to be gained in building upon their insights on the dynamics of capitalist development and its interaction with the State system, as well as in the exercise of domination through hegemony both within and across States. The core international concept of this tradition, the theory of uneven and combined development,<sup>7</sup> emphasizes the unevenness that accompanies processes of capitalist development and accumulation across geographic boundaries and the role of the State in leading capitalist development. Historically, the State system acted as a transmission belt in the spread of capitalism, as non-capitalist societies have been forced to adopt capitalist methods to match the technological and military superiority of capitalist rivals. The emergence of "contender States" – originally Germany, Japan, and the United States in opposition to British imperial hegemony – has thus featured as an important aspect of the uneven development of the world capitalist system from its outset.

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<sup>6</sup> As Deutscher noted more than four decades ago, the Marxist worldview (*weltanschauung*) remains relevant to understanding the modern world because it constitutes the critical basis for apprehending its most important feature: capitalism. The increasingly apparent global limitations of capitalism have thus led to a resurgence of interest in Marxism. See Isaac Deutscher, *Marxism, Wars, and Revolutions: Essays From Four Decades*, ed by Tamara Deutscher (London: Verso, 1984).

<sup>7</sup> Leon Trotsky, *The History of the Russian Revolution* (Ann Arbor: University of Michigan Press, 1957).

Development can be considered to be combined in two senses. In a negative sense, capitalism coexists with pre-capitalist modes of production in many States, especially in quasi-feudal landowning structures. In a progressive sense, a State-led process of capitalist mobilization can be achieved by combining multiple development phases into one. (In Latin American history, both have existed, though the former has predominated over the latter: retrograde, primarily agrarian and mercantile forms of capital have characterized the regions combined development, occasionally giving way or making space for more dynamic statist forms of development.) This theoretical approach provides a dynamic picture of capitalist development, which regards multipolarity as a recurring and regular feature of inter-State relations.

As a “fastidious student of the international,” Gramsci maintained that capitalism was a world historical phenomenon within conditions of uneven development even though he focused his own attention on the concrete development of social relations of production and the struggle over hegemony within national settings.<sup>8</sup> One of Gramsci’s many insights was to broaden the concept of the State beyond government, leaders, and bureaucrats to encompass the “entire complex of practical and theoretical activities with which the ruling class not only justifies and maintains its dominance, but manages to win the active consent of those over whom it rules.”<sup>9</sup> This concept of an “integral State” thus combines both political and civil societies. In the field of critical international political economy (IPE), neo-Gramscians fruitfully extended the concept to the capitalist world order and analyzed the various forms of hegemony that cemented cross-State class alliances around social structures of accumulation that transcended national boundaries.<sup>10</sup>

Although much subsequent theorizing in critical IPE veers towards debates on whether the State had lost its traditional relevance in an era of neoliberal globalization, and whether national classes had been eclipsed by processes of transnational class and even State formation, Robert Cox and much of the neo-Gramscian tradition hold a sharp appreciation of the mutual interaction between the two pillars of world order: the State system and the capitalist world economy. Recent contributions by Bieler and Morton reassert the importance of the State as a site of class struggle and as a nodal point of capitalist development, whereas Desai highlights the importance of the State in managing capitalism’s constant tendency towards

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<sup>8</sup> Antonio Gramsci, *Selections from Political Writings, 1910–1920*, ed by Quintin Hoare, translated by John Matthews (London: Lawrence and Wishart, 1977).

<sup>9</sup> See Andreas Bieler & Adam David Morton, “The Will-O’-the-Wisp of the Transnational State” (2013–14) 72 *J of Austl Pol Econ* 23 at 3839 [Bieler & Morton].

<sup>10</sup> Cox defines hegemony as an expression of broadly based consent, manifested in the acceptance of ideas and supported by material resources and institutions; within a world order, a situation of hegemony may prevail “based on a coherent conjunction or fit between a configuration of material power, the prevalent collective image of world order (including certain norms) and a set of institutions which administer the order with a certain semblance of universality.” Robert Cox, “Social Forces, States and World Orders: Beyond International Relations Theory,” (1981) 10:2 *Millennium* 126 at 133–134.



crisis.<sup>11</sup> Bieler and Morton also acknowledge that while US-led global capitalism and the transnationalization of production chains have given rise to transnationalized fractions of capital, the State still serves as the central focal point through which dominant class interests are internalized through ongoing class struggles that modify the form of the State.<sup>12</sup> It is this emerging historical materialist reading of the geopolitical economy of the capitalist world order, with its emphasis on the importance of the State in shaping capitalist development, combined or otherwise, that promises to yield valuable insights on the emerging multipolarity and its intersection with regional counter-hegemonic struggles. To that end, it focuses on the ways in which States and the alliances of classes across States (i.e. what Gramsci refers to as social blocs) employ different combinations of coercion and consent to shape favourable social structures of accumulation and that can be challenged by the exploited. Given the uneven and combined character of capitalist world order, objection can be directed against the cross-national alliances of classes and their strategies of accumulation, the geopolitically dominant States, or both. In either case, it can originate from the contender States, the popular movements from below, or a combination thereof.

We now turn to a brief historical narrative of the regional order that emerged in Latin America following the Second World War. This will serve as the basis for an analysis on the emerging multipolarity and counter-hegemony in the Americas. Specifically, the nature of the cross-State alliances that emerged during this period and the forms of domination that prevailed within and between the States are described, and the concept of uneven and combined development is explored from a Gramscian perspective.

The oligarchic control of land and labour has long shaped the social relations of production in Latin America and its forms of State. So much so that the history of the region could be told in terms of the booms and busts of its resources and the ensuing exploitation and struggles.<sup>13</sup> As political power shifted from the colonial centres of administration to the independent states, the wealth of those States and their relative power were in large part determined by the resources that lay within their borders. In the heyday of informal British imperialism during the second half of the 19<sup>th</sup> Century, the national ruling classes formed alliances and waged war against each other to capture those residing outside of them. The War of the Triple Alliance, which benefitted from a nascent Brazilian sub-imperialism in the cone of South America, and the War of the Pacific, which led to Chilean control of the western shore of the continent, marked the battle for valuable resources between the national ruling classes

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<sup>11</sup> Radhika Desai, *Geopolitical Economy: After US Hegemony, Globalization and Empire* (London: Pluto Press, 2013).

<sup>12</sup> This is not to dismiss the important contributions of critical theories of global capitalism that emphasize transnational class formation, for which many theorists have marshaled important empirical evidence. Bieler and Morton recognize these contributions while drawing upon Gramsci and Nicos Poulantzas in developing a “philosophy of internal relations” to understand how the interests of transnational fractions are internalized within States. Bieler & Morton, *supra* note 9.

<sup>13</sup> Eduardo Galeano, *Open Veins of Latin America: Five Centuries of the Pillage of a Continent* (New York: Monthly Review, 1973).

and the States.<sup>14</sup>

Following the Second World War, Latin America continued to bear many of the features of the previous century without the inter-State conflicts that had previously devastated large parts of the continent. The liberal republican order of the 19<sup>th</sup> Century and its unequal patterns of land tenure persisted, while oligarchic land owners (*terrateniente*) who possessed vast estates (*latifundios*) continued to control their peasant labour forces through debt peonage, organized violence, and coercion. Even though many of its miners now toil as modern industrial proletariats, the region remains nonetheless a major source of oil and minerals (e.g. tin, iron, bauxite, and copper).

The postwar era is also rooted in the realities of the 20<sup>th</sup> Century, especially in the geopolitical dominance of the United States by the region's traditional elites. These two interrelated forms of exploitation and domination—the alignment of internal production processes with the needs of the world market by the white elites and the subordination of one State to a more powerful northern State—explain both the anti-capitalist and nationalist elements that have characterized so much Latin American resistance. Early Latin American Marxists, such as Jose Mariátegui (1894–1930), understood the importance of combining socialist struggles with anti-colonial struggles rooted in indigenous histories (for this very reason, 21<sup>st</sup> Century socialists often cite Mariátegui as an inspiration). The relevance of this duality will be a key factor in assessing the current conjuncture.

US foreign capital had already firmly dislodged British and German rivals by the end of the First World War (thus making the Monroe Doctrine a reality nearly a century after it was pronounced), and the US government had established a pattern of sending the Marines to take over weak States in Central America and the Caribbean when they proved unable to maintain payments on loans from US bankers, secure Yankee access to important raw materials, or safeguard important trading routes. No less than 30 interventions occurred between 1904 and 1934 in that part of the region where its interests were most entrenched and where geographic proximity most easily translated into US hegemony.<sup>15</sup> Beginning with the Spanish–American War, Latin America served as an “Empire’s Workshop,” to use Greg Grandin’s apt expression, as the United States sought to construct its own imperial sphere of influence and US multinationals like Standard Oil and the United Fruit Company became infamous.<sup>16</sup> Nicaragua, Haiti, Cuba, Panama, and the Dominican Republic all experienced lengthy occupations. As the United States presided over the reconstruction of an international

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<sup>14</sup> Galeano recounts how Brazil, Argentina, and Uruguay undid a bold experiment in State-led development undertaken by Paraguay, where the oligarchy was crushed in the wake of that country’s independence. He argues that Paraguay made considerable progress in developing a manufacturing base and creating infrastructure to integrate a national market, when Brazil led an alliance against it, snatching land, resources, and dismantling its proto-developmental reforms following the War of the Triple Alliance (*ibid.*).

<sup>15</sup> William Leogrande, *Our Own Backyard—The United States in Central America, 1977–1992* (Chapel Hill: University of North Carolina Press, 1998).

<sup>16</sup> Greg Grandin, *Empire’s Workshop: Latin America, the United States, and the Rise of the New Imperialism* (New York: Metropolitan Books, 2006).

order that collapsed under the weight of two world wars in the 1940s, the occupations and more direct forms of control disappeared; nonetheless, Latin America emerged as a key regional pillar of the new Americanized world order.

Be that as it may, it would be wrong to think that Latin America merely complied with US designs or that these social orders were anything but unstable. As they came to grips with US power in the 1960s and 1970s, as dependency theorists point out, local oligarchs and other compradors gained as much from the subordination of their economies to the world capitalist market as they did from US capitalism. Interventions could decisively alter the balance of power, however these were undertaken based on a shared problematic of securing order with local ruling classes. Thus, they generally served to strengthen the police and military apparatuses of authoritarian States, while placing them more firmly under the control of class fractions unable to rule through consent. The popular classes were not passive bystanders either. Interventions were launched in response to peasant and worker unrest. In the case of Mexico, a revolution was as much a response to US imperialism as it was to local injustice, the result of which was a proto-developmental State that had some success in mobilizing capitalist development without fundamentally challenging class relations.<sup>17</sup>

In other words, the regional function of US intervention was as much about advancing the interests of US multinationals as it was about reinforcing the power of ruling classes, whose class structures were inimical to less coercive forms of rule and who were unable to stabilize the social order themselves. Gramsci's contrasting conceptualizations of hegemony as the "spontaneous consent given by the great masses of the population to the general direction imposed by social life by the dominant fundamental group" in civil society and that of "direct domination or command exercised through the State and juridical government" in political society are instructive here.<sup>18</sup> US power buttressed the class supremacy of the local oligarchy by strengthening the instruments of political society within a shared regime of accumulation that favoured their mutual interests and made way for US multinational expansion. This was perhaps the primary role of the projection of US geopolitical power.

At the same time, the reach of US power was unevenly distributed and constrained by the uneven development of the continent; in those places where conditions gave rise to more dynamic peasant and worker movements contesting the highly unequal structure of accumulation, the United States did not have the ability to subvert these counter-tendencies at will. Social forces contesting class supremacy repeatedly emerged in civil society to contest the geopolitical economy of the regional order. Latin American populist governments, typified by Vargas in Brazil, Cárdenas in Mexico, and Perón in Argentina, responded to these pressures from below and

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<sup>17</sup> For a reading of the Mexican revolution as passive revolution, see Adam David Morton, *Revolution and State in Modern Mexico: The Political Economy of Uneven Development* (Lanham: Rowman and Littlefield, 2011).

<sup>18</sup> Antonio Gramsci, *Selections from the Prison Notebooks*, ed and translated by Quintin Hoare and Geoffrey Nowell Smith (New York: International Publishers, 1971).

launched developmentalist projects that sought to modernize their States through modest redistribution schemes, limited land reform, and reduced dependency in the world-capitalist system. Such governments sought to balance internal class conflicts through a limited form of State-led hegemony while countering US geopolitical pressures. The uneven and combined development of the region favoured the rule of landlords wielding coercive power; hence, the populist and anti-imperialist forces challenged the supremacy of the oligarchic State and its international benefactor, forcing segments of the political class to exercise leadership through a more ethical and universalistic order, though these compromises, too, were subject to reversals.<sup>19</sup>

Where possible, the United States remained the guarantor of last resort in maintaining regional order. Thus, when traditional patterns of oligarchic rule were threatened—in the wake of the presidential victory of the leftist Jacobo Árbenz in Guatemala in 1951, the Bolivian Revolution of 1952, or the epic victory of Salvador Allende in Chile in 1971—the United States typically reacted swiftly to restore the power of dominant classes through support to conservative military factions.<sup>20</sup> In the case of Guatemala, the United States and several Central American nations lent support to a right-wing Guatemalan general to launch an invasion, duly approved by the Organization of American States (OAS), which largely responded to American and oligarchic interests.<sup>21</sup> CIA covert operations largely replaced the direct interventions of the past as the new form of interventionism (though interventions still occurred, such as when the Marines landed on the soil of the Dominican Republic to quell unrest in April 1965, marking the beginning of an occupation that lasted over a year). Institutions like the infamous School of the Americas at Fort Benning, Georgia, provided training to Latin American security forces in counter-insurgency tactics, including some of the worst human rights offenders in the region.

The counter-revolution of the 1970s, which followed on the heels of a period of radicalization in the South American welfare States, was characterized by a cross-State alliance of right-wing forces under the support of the United States. Indeed, during the Nixon administration, the United States played a key role in supporting the Pinochet coup in Chile, which ushered in the Dirty Wars that restored class power through military dictatorships across the region. Through Operation Condor, the military governments of Argentina, Chile, Uruguay, Paraguay, Bolivia, and Brazil, formed a regional alliance to carry out combined extraterritorial operations using disappearance, torture, and extrajudicial execution to eliminate political enemies with US support. Such policies underpinned a US–Latin American inter-State regime

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<sup>19</sup> Historical sociologists have written about the uneven processes of democratization, de-democratization, and re-democratization that occurred throughout the Americas. See Dietrich Rueschemeyer, Evelyn Huber & John D. Stephens, *Capitalist Development and Democracy* (Chicago: University of Chicago Press, 1992) [Rueschemeyer, Huber & Stephens].

<sup>20</sup> William Blum, *Killing Hope: U.S. Military and CIA Interventions since World War II* (Monroe: Common Courage Press, 2004).

<sup>21</sup> For an analysis of how the intervention led to a shift in the strategy for the Latin American left, which went underground and embraced the tactics of guerrilla warfare since other avenues of resistance were no longer viable, see Greg Grandin, *The Last Colonial Massacre* (Chicago: University of Chicago, 2004).

founded upon calculated and systematized political violence largely intended to maintain social inequalities.<sup>22</sup> Although a brief respite occurred during the Carter administration, Reagan's devastating counter-insurgency wars (supplemented by the new modalities of democracy promotion) extended the terror to Central America. While some historians have viewed these conflicts as derivative of US and Soviet rivalry, Harmer demonstrates that they were more akin to a unique and multisided inter-American Cold War between regional proponents of communism and capitalism, albeit in various forms.<sup>23</sup> Washington and Havana constituted the polar opposites of revolution and reaction; however, others, such as Brazil, emerged as staunch anti-communist actors in the system as well. Indeed, Brazil's military regime was often more concerned, zealous, and impatient about combating Castro and Allende than were the Americans.

## II. The Shift from Mostly Coercion to Some Consent

Two interrelated shifts that transformed the regional order occurred in the late 1970s: nearly all Latin American States underwent significant neoliberal restructuring, and the polyarchy began to gradually replace authoritarianism. Both factors were linked to the debt crisis, which overlapped and interacted with larger structural trends in the world economy. This included a decline in profitability, as the multinationals of advanced capitalist States became increasingly competitive; an increase in oil prices (the oil shocks of 1973 and 1979); "stagflation," the combination of inflation and unemployment; and the demise of the Bretton Woods system. These structural transformations led to a new regime of accumulation based on neoliberal globalization as a method of restoring profitability through a new wave of accumulation by dispossession.<sup>24</sup>

Fuelled by the infusion of petrol dollars into the international banking system, private banks and international financial institutions began to lend profligately to Third World Countries in exchange for economic reforms. The military governments of South America (particularly Chile) and Haiti, under the dictatorship of Jean-Claude "Baby Doc" Duvalier, pioneered the reforms. The debt crisis and the economic turmoil of the late 1970s and early 1980s also contributed to a crisis of authority for the authoritarian regimes, whose terrorization of the class struggle did not provide a sustainable solution to class conflict. This included those who had spearheaded the first phase of neoliberal reforms. As collective actors re-emerged to demand democratic change in civil society,<sup>25</sup> liberal elites began supporting polyarchy as an alternative form of governance to both authoritarianism and deeper notions of

<sup>22</sup> J Patrice McSherry, "Operation Condor as a Hemispheric 'Counterterror' Organization" in Néstor Rodríguez & Cecilia Menjivar, eds, *When States Kill: Latin America, the U.S., and Technologies of Terror* (Austin: University of Texas Press, 2009).

<sup>23</sup> Tanya Harmer, *Allende's Chile and the Inter-American Cold War* (Chapel Hill: The University of North Carolina Press, 2011).

<sup>24</sup> David Harvey, *The Enigma of Capital: and the Crises of Capitalism* (Oxford: Oxford University Press, 2010).

<sup>25</sup> Rueschemeyer, Huber & Stephens, *supra* note 19.

democracy, one with greater potential to manage social conflicts. Elites and militaries formed pacts guiding democratic transitions that promised to leave the economy and its attendant class relations untouched, while providing amnesties for the perpetrators of terror.

Such elites received support from core capitalist States and transnational institutions, which began promoting low-intensity democracy as the political flipside to the emerging global economy in an effort to rule hegemonically through a new strategy of class power.<sup>26</sup> Latin America's new leaders were reinforced by a never-ending cycle of borrowing from international financial institutions, conditional upon adjustment programs that sought to reform the public sector and align the national economy with global capitalism. This coincided with more comprehensive regional and sub-regional trade and investment agreements, some of which replaced earlier arrangements, such as the Common Southern Market (Mercado Común del Sur [Mercosur]) and the Andean Community of Nations (Comunidad Andina [CAN]), which replaced the Andean Pact. The deregulation of the financial sector and the removal of capital controls, liberalized trade agreements, and investment regimes, among other policies, led to the subordination of the national economy to transnational capital, particularly its speculative financial component. In terms of production, neoliberalism prioritized primary exports for external markets in the name of comparative advantage and the accumulation of foreign exchange reserves. As a result, this policy orientation has reinforced the power of the agro-oligarchy, whereas bankers and merchants have integrated into the global economy.<sup>27</sup>

The combination of neoliberalism and polyarchy rested on two fundamental paradoxes that point to the contradictions of the emerging order. First, as democratic transitions spread across Latin America, neoliberalism was largely being achieved through undemocratic means. As political elites began contesting elections for the first time in years, victorious leaders began presiding over neoliberal stabilization packages in direct violation of their campaign promises. Such was the case in Argentina under the presidency of Carlos Menem (1989–1999) and in Venezuela under Carlos Andrés Pérez (1989–1993), both of whom were elected on social democratic platforms.<sup>28</sup> The decree of Gonzalo Sánchez de Lozada, President of Bolivia; the *coup d'état* during democratic reversals against Jean-Bertrand Aristide, President of Haiti; and the decimation of popular forces through protracted civil wars (Central America, including the contra war against the Sandinistas) followed by the elites were central to the deepening of neoliberalism. The United States also began to articulate new rationales to justify counter-insurgency tactics to stabilize capitalist allies as the Cold War came to a close. As Stokes documents in his important book on America's "war on drugs" in Colombia, military aid was conditional upon neoliberal

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<sup>26</sup> William Robinson, *Promoting Polyarchy: Globalization, US Intervention, and Hegemony* (Cambridge: Cambridge University Press, 1996).

<sup>27</sup> James Petras & Henry Veltmeyer, *What's Left in Latin America? Regime Change in New Times* (Farnham: Ashgate Publishing, 2009) [Petras & Veltmeyer].

<sup>28</sup> Eduardo Silva, *Challenging Neoliberalism in Latin America* (Cambridge: Cambridge University Press, 2009) [Silva].

economic reforms.<sup>29</sup> The United States Congress passed Section 1004 of the *National Defense Authorization Act* in 1991, reorienting US military aid and training towards the new war on drugs, with the corollary benefit of helping democratic governments fight growing leftist insurgency. In short, with the economy remaining safely in the hands of powerful business interests and protectionist barriers preventing the further penetration of transnational capital undemocratically removed, most countries underwent a process of regime change rather than structural transformation.

The second major paradox was that neoliberal reforms undermined the very social basis of democracy. As much of the literature on democratization has demonstrated, particularly the work of Muller, high levels of inequality can prevent or undermine democratic consolidation.<sup>30</sup> In Latin America, historically one of the most unequal regions of the world, indicators of income concentration remained unchanged or worsened between 1990 and 2002.<sup>31</sup> Although neoliberalism dealt with the hyperinflation of the 1980s, it performed poorly on most other indicators. With massive layoffs in the public sector, wages stagnated throughout the 1990s. Between 1990 and 2008, annual per capita gross domestic product (GDP) growth was a meagre 1.7 % in the region, well below the rate recorded in East Asia (4.1 %). GDP grew considerably less than in the 1970s and only experienced a significant annual growth rate of 5.3 % during the five-year period from 2004 to 2008.<sup>32</sup> The increase during this period, in turn, reflected an improvement in terms of trade rather than a complete break with the neoliberal model.<sup>33</sup>

The region also underwent a profound transnationalization of its production and service infrastructure associated with the wave of privatizations and removal of barriers to speculative finance capital. As Robinson points out, Latin America was a net exporter of \$219 billion in capital surplus to the world economy during the “lost decade” of 1982 to 1990, and then became a net importer from 1991 through to 1998.<sup>34</sup> During this period, nearly \$830 billion in capital was transferred to the region primarily in diverse portfolio and financial ventures, such as new loans, the purchase of stock in privatized companies, and speculative investment in financial services, such as equities, mutual funds, pensions, and insurance. After this initial influx, the region once again reverted to an exporter of capital starting in 1999. Latin America also began a process of relative de-industrialization; the share of manufacturing as a percentage of GDP declined from 27 % in 1980 to 17.9 % in 2009 (compared to 31.4 % for East Asia and the Pacific).<sup>35</sup> Commenting on “the region’s three characteristic patterns of linkage [with the global economy], one based on natural

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<sup>29</sup> Doug Stokes, *America’s Other War* (London: Zed Books, 2005).

<sup>30</sup> Edward N Muller, “Economic determinants of democracy” (1995) 60:6 *Am SocioRev* 966.

<sup>31</sup> Economic Commission for Latin America and the Caribbean., *Social Panorama of Latin America: 2002–2003* (United Nations: Santiago, 2004).

<sup>32</sup> Economic Commission for Latin America and the Caribbean., *Time for Equality: Closing Gaps, Opening Trails* (United Nations: Santiago, 2010).

<sup>33</sup> Petras & Veltmeyer, *supra* note 27.

<sup>34</sup> William Robinson, “Global crisis and Latin America” (2004) 23:2 *Bull Lat Am Res* 135 at 139.

<sup>35</sup> Eva Paus, “Latin America’s middle income trap” (Winter 2011), online: <<http://www.americasquarterly.org>>.

resources for South America, another based on maquila activities for Mexico and Central America, and the other based on services for the Caribbean,<sup>36</sup> Mikio Kuwayama, Chief of the International Trade Unit, Division of International Trade and Integration of the Economic Commission for Latin America and the Caribbean, warns that “the degree of articulation with the local productive apparatus has been unsatisfactory, at the detriment of the development of national suppliers and endogenous technology capabilities. On the contrary, the ‘opening-up’ process, together with higher import contents, has tended to reduce linkages that existed prior to trade liberalization.”<sup>37</sup> Through these new linkages to the global economy, the traditional oligarchy modernized itself and expanded its agro-business operations into new specialty crops. This point is important because it illustrates the process through which a new transnational fraction of capital came to link its own interests to the neoliberal project (though very much in continuity with the liberal-world economy preference of the traditional oligarchy, and still very much rooted in the realities of local social relations of production).<sup>38</sup>

In addition to the international financial institutions, the OAS institutionalized the economic and political aspects of the neoliberal project in the regional system. Just as the International Financial Institution (IFI) began advancing a notion of “good governance” in the 1980s, the OAS began championing liberal democratic norms as a condition for participation in the inter-American system. Furthermore, just as the IFIs linked democratic governance to the free market, the OAS also advocated economic liberalization and promoted free trade and liberalized investment in the new regional system. Despite important democratic features of hemispheric governance institutionalized by the OAS, the organization has been a strong supporter of neoliberal trade and investment policies such as those associated with the failed Free Trade Agreement of the Americas (FTAA).<sup>39</sup>

During this period, Canada also emerged as an important force in support of the new neoliberal regional order. In the late 1980s, the country became known as a sub super-power. Its interests were intertwined with those of the United States, yet it acted independently to advance the interests of Canadian capital.<sup>40</sup> Canadian mining companies became particularly influential proponents of trade and investment liberalization. Their share of the larger company exploration market in Latin America and the Caribbean grew steadily beginning in the early 1990s, reaching 35 % by 2004. Canadian companies gained the largest share of all of their competitors, with 7

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<sup>36</sup> Mikio Kuwayama, *Quality of Latin American and Caribbean Industrialization and Integration into the Global Economy* (United Nations: Santiago, 2009) at 10.

<sup>37</sup> *Ibid* at 60.

<sup>38</sup> More empirical research is required to explore the national processes through which traditional oligarchs were transformed into modernized fractions of transnational capital. Stédile describes the process elegantly in the case of Brazil (see below), but deeper and more empirical comparative analyses are still required. Interview of João Pedro Stédile by Aitlio Boron, “The Class Struggle in Brazil: The Perspective of the MST,” in Leo Panitch & Colin Leys, eds, *Social Register 2008: Global Flashpoints* (London: The Merlin Press, 2008) [Stédile].

<sup>39</sup> Yasmine Shamsie, “Building ‘Low-Intensity’ Democracy in Haiti: the OAS Contribution” (2004) 25:6 *Third World Quarterly* 1097.

<sup>40</sup> Todd Gordon, *Imperialist Canada* (Winnipeg: Arbeiter Ring, 2010).



companies placing among the top 20 mineral exploration investors in the region from 1989 to 2001. As its mining presence expanded, the Canadian State began aggressively promoting a strategy of “accumulation by dispossession,” robbing indigenous peoples of their land and resources.<sup>41</sup>

Both Canadian and American democracy assistance programs came to serve as a key material and ideological element in the articulation of a neoliberal regional order anchored in polyarchy. In the case of the United States, tactics of destabilization or regime change directed against popular governments or movements came to define US democracy promotion throughout the 1980s and into the early 2000s (including against the new regional left). Canadian democracy promotion strategies tended towards the softer side and focused more on stabilizing pro-neoliberal governments rather than waging a Gramscian war of position against them. The United States also partially adopted softer methods in reaction to a regional backlash against US imperialism. Both countries thus began to promote a more “inclusive neoliberal” project as a form of passive revolution to co-opt potentially radical social forces in civil society.<sup>42</sup> The new regional hegemonic project, however, was bound to fail.

### **III. The Regional Backlash: Left Turns, New Rivals, and the Emergence of the ALBA**

The attempt to articulate a regional hegemony anchored in neoliberal polyarchy under US leadership did not last long. As popular movements commenced a new cycle of revolt, neo-developmental States emerged within a new regional geopolitical economy centred on the energy sector. Uneven and combined development on a global scale also played an important role in shifting the gravitational pole away from the United States as China and India became huge consumers of Latin American commodities.

As the century approached its end, Hugo Chávez’s victory in Venezuela’s 1998 presidential elections marked the beginning of the “pink tide” that swept left and centre-left governments to power throughout Latin America. Over the course of the next decade, left and centre-left governments were elected in a dozen countries on the basis of opposition to the neoliberal policies of the Washington Consensus. Scholars of different approaches agree that the origins of the left electoral victories reside in the crisis of the neoliberal State and the mass resistance engendered by it as social movements organized to contest the policies of inequality and exclusion in a replay of Polanyi’s double movement. As Polanyi points out, the socially destructive drive of market societies, which reduce human beings to mere commodities, elicits a “spontaneous” reaction from workers and others demanding regulation and

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<sup>41</sup> Todd Gordon & Jeffrey Webber, “Imperialism and resistance: Canadian mining companies in Latin America” (2008) 29:1 *Third World Quarterly* 63.

<sup>42</sup> See Burron, *supra* note 5.

protection.<sup>43</sup> In the wake of democratic transitions, the political elites succeeded to impose the neoliberal project upon the State, forcing even leftist parties to accept the strictures of global capitalism; nevertheless, hegemony in civil society was not achieved. The contradictions of global neoliberalism, including increased poverty, pauperization, and social precariousness, fuelled the explosion of anti-neoliberal popular movements.<sup>44</sup> In Gramscian terms, these movements formed national popular fronts insofar as they expressed multiple grievances around class, gender, territory, and ethnicity. Firmly on the left, though not always socialist, they were fiercely anti-imperialist.

Many of the left and centre-left governments that came to power rejected traditional US patterns of economic and military dominance in favour of enhanced cooperation among Latin American States. This coincided with, and was reinforced by, the emergence of Brazil as a regional power whose own economic expansion propelled the Lula government to play a regional leadership role (often acting as a sub-imperial power in its own right).<sup>45</sup> The failure of the FTAA talks (1998–2004), with Brazil leading the regional opposition to the US-proposed hemispheric agreement, was a watershed moment. Although the United States and Canada responded by pursuing bilateral and regional free trade agreements with governments still very much favourable to the North American-led neoliberal regime, the momentum clearly swung in favour of deeper regional integration, both economic and political. Thus, new initiatives to offset traditional US dominance through greater political and economic integration included the Union of South American Nations (Unión de Naciones Suramericanas [UNASUR]), an intergovernmental union integrating Mercosur and CAN as part of a continuing process of South American integration; the Bank of the South (Banco del Sur), a monetary fund and lending organization; and the Community of Latin American and Caribbean States (Comunidad de Estados Latinoamericanos y Caribeños [CELAC]), a regional bloc consisting of all sovereign countries in the Americas except Canada and the United States. The purpose of the latter organization, it would seem, is to have an OAS without the participation of Ottawa or Washington.

Even though such initiatives also included security dimensions, left governments have refused US military and security forces access to their territories. After closing a US military air base in Mantra, Ecuador's President Correa noted, "We can negotiate with the US about a base in Mantra if they let us put a military base in Miami."<sup>46</sup> At the same time, the United States under the Bush administration still sought to increase the coercive powers of those governments in the region

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<sup>43</sup> See Petras & Veltmeyer, *supra* note 27; and Silva, *supra* note 29. Both works apply Polanyi's important concept to make sense of the explosion in resistance to neoliberalism.

<sup>44</sup> William I Robinson, *Latin America and Global Capitalism: A Critical Globalization Perspective* (Baltimore: Johns Hopkins University Press, 2008) [Robinson, "Latin America and Global Capitalism"].

<sup>45</sup> See Matthew Flynn, "Between Subimperialism and Globalization: A Case Study in the Internationalization of Brazilian Capital" (2007) 34:6 *Lat Am Perspectives* 9.

<sup>46</sup> William I Robinson, "Latin America's left at the crossroads" (14 September 2001) online: Al Jazeera, <<http://www.aljazeera.com>> [Robinson, "Latin America's left"].

governing weak hegemonic formations. Military and police aid increased and more Latin American soldiers were trained in the United States between 2001 and 2005 than in the previous 50 years.<sup>47</sup> The Pentagon's "effective sovereignty" policy contended that US security was threatened by the failure of States to exercise control over ungoverned spaces within their borders. Terrorists, narco-traffickers, arms traffickers, and document forgers were identified as the new enemies, and military aid continued to fund counter-insurgency activities in Colombia and other regional allies.<sup>48</sup>

Globally, the rise of the new Latin American left coincided with the strengthening of States that have pursued various forms of combined development, namely, Russia, India, and China (who, along with Brazil, form the BRIC quartet established in 2009). Perhaps ironically, these countries have called for the establishment of an equitable and democratic multipolar world order. Many Latin American States have rejected North American-led regionalism in favour of deepening their ties with new trading partners like China, which is now the region's third largest trading partner behind the United States and the European Union (which it will soon overcome). China is currently Brazil's top commercial partner, with USD\$ 75 billion in trade between the two countries in 2012.<sup>49</sup> As Ray and Gallagher warn, however, growing trade with China carries significant risks, as Chinese manufactures increasingly flood the Latin American market and Latin America further deindustrializes. Latin American and Caribbean exports to China have soared since 2000, but slowed in 2012, stalling to a 7.2 % growth rate in real dollar terms. This compares to an average annual export growth rate to China of 23 % from 2006 to 2011. Behind this slowdown are falling commodity prices. Latin American and Caribbean exporters are "running in place" as exports to China have continued to grow in volume, but have fallen in price, leading to stagnant total export values. With China mostly exporting manufacturing products to the region, with a heavy emphasis on electronics and vehicles, the value of Chinese exports has grown more quickly than Latin American exports to China, opening a trade deficit in goods in 2011 and 2012.<sup>50</sup>

The importance of China as a regional player comes at a time of US weakness, both geopolitically and economically, with continued imperial expansion in the Middle East and the recent cataclysms of US-led global finance. Many Latin American States have also asserted their diplomatic independence by building closer relations with China, Russia, and Iran (though some like Venezuela have shamelessly

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<sup>47</sup> Between 2001 and 2005, 85,820 Latin American soldiers were trained in the United States compared to 61,000 soldiers and police trained by the infamous School of the Americas from 1946 to 2000. Juan Gabriel Tokatlian cited in R Guy Emerson, "Radical Neglect? The 'War on Terror' and Latin America" (2010) 52:1 *Lat Am Pol and Soc* 33.

<sup>48</sup> *Ibid.*

<sup>49</sup> Charles Tang, "Brazil-China: A Growing Alliance" (25 July 2013), online: World Policy Institute <<http://www.worldpolicy.org>>.

<sup>50</sup> Rebecca Ray & Kevin P Gallagher "China-Latin America Bulletin" (2013), online: Pardee Centre for the Study of the Longer-Range Future <<http://www.bu.edu/pardee/research/global-economic-governance-2>>.

defended the authoritarian governments of these States and even others like the Assad regime in Syria, demonstrating that Bolivarian internationalism is as willing to subordinate itself to the imperatives of *realpolitik* as its liberal counterpart).

The new geopolitical economy is centred primarily on the Andes–Amazon region, with Brazil and Venezuela as the key players. Both countries have pursued new forms of combined development with the State playing a crucial role in financing and running key operations in the energy and extractive sectors; Brazil’s Petrobras (hydrocarbons), Vale (mining), Odebrecht (civil engineering), and the Brazilian Development Bank (BNDES; finance) are dominant throughout the sub-region; Venezuela’s State oil company, PDVSA, is also an important partner in investment and technical expertise.<sup>51</sup>

The most radical of the regional blocs, in terms of both its economic vision and rejection of US imperialism, is the Venezuelan-led ALBA, a regional cooperation organization fostering trade and integration based on solidarity and mutual aid.<sup>52</sup> The ALBA is a multifaceted organization that extends well beyond trade, encompassing mechanisms for financial integration (the ALBA bank), economic–industrial cooperation (between social production companies, recuperated factories, and mixed private–State companies), social cooperation and aid, and even military cooperation (through the South American Security Council). However, the linchpin of the ALBA is PETROAMERICA, a gas and oil company involved in the development of alternative and renewable energies.<sup>53</sup> By means of this energy cooperation organization, the Venezuelan State has arguably deployed its resources to form an alliance of countries against US-led global capitalism. What’s more, the three largest ALBA nations (Bolivia, Ecuador, and Venezuela) have been more successful in increasing the proportion of surplus profits retained in their national economies against that part captured by international capital than their non-ALBA neighbours (Chile, Colombia, and Peru).<sup>54</sup>

Thomas Muhr argues that the Bolivarian Alliance can be seen as a geostrategic project among like-minded governments that recognizes economic asymmetries among members, replacing traditional competitive notions of comparative advantage with cooperative advantage. He identifies several counter-hegemonic dimensions to the ALBA, including in its organizational structure, which consists of two “power pyramids”: the Council of Presidents and the Council of Social Movements. The former represents the “State-in-revolution” of the Latin American left, whereas the latter represents the dynamic social movements of the region’s “organized society” (a concept that focuses on the radical sectors of civil

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<sup>51</sup> Anthony Bebbington & Denise Humphreys Bebbington, “An Andean Avatar: Post-Neoliberal and Neoliberal Strategies for Securing the Unobtainable” (February 2011) 16:1 *New Pol Econ* 131.

<sup>52</sup> Antigua and Barbuda, Bolivia, Cuba, Dominica, Ecuador, Nicaragua, Saint Vincent and the Grenadines, and Venezuela are member States of the ALBA.

<sup>53</sup> PETROAMERICA, in turn, is composed of three sub-regional blocs: PETROCARIBE, PETROANDINA, and PETROSUR, corresponding geopolitically to CARICOM, the Andean Community and MERCOSUR.

<sup>54</sup> Andy Higginbottom, “The Political Economy of Foreign Investment in Latin America: Dependency Revisited” (May 2013) 40:3 *Lat Am Perspectives* 184 [Higginbottom].

society). Hence, ALBA is “a counter-hegemonic governance regime.” ALBA forums also provide opportunities to denounce Washington’s patterns of interventionism and to assert political independence (e.g. by demanding that Cuba be readmitted to the OAS).<sup>55</sup>

The organization’s counter-hegemonic policy extends beyond its trade norms, encompassing a “revolutionary approach to internationalism, peacekeeping, and intervention” in the region, which is exemplified in its long-term coordinated approach to aid in Haiti. Latin American States such as Brazil and Chile acted as sub-imperial powers in Haiti, staffing the widely-criticized United Nations Stabilization Mission In Haiti (UNSTAMIH) and aligned themselves with Washington’s objectives for the country. After the earthquake, ALBA military contingents, by contrast, were comprised of professionals (technical, personnel, etc.) instead of soldiers in battle gear (compared to US and UNSTAMIH forces).<sup>56</sup>

The ALBA embodies genuine counter-hegemonic principles. Hence, the organization has two inherent weaknesses: its dependence on Venezuelan oil revenues and its primary trade flows within the Alliance are with Venezuela. Any appraisal of ALBA and of its long-term prospects, as a counter-hegemonic regional alternative to the historic dominance of the United States in a more multipolar regional order, must take into account the nature of the left turns in the States of which the Alliance is comprised. As Samir Amin reminds us, the diversity of the hegemonic blocs that currently exist in peripheral countries must be carefully analyzed in assessing the prospects for a counter-hegemonic multilateralism. Indeed, regional blocs are ultimately rooted in specific State–society complexes. Most, he adds, are of a comprador nature, “that is, the interests they promote are situated within the logic of the expansion of global capitalism as it exists today.”<sup>57</sup> Although many critical theorists argue that Latin America’s left is driving a process of radical structural transformation, there are many weaknesses that suggest a less sanguine appraisal.<sup>58</sup> This is not to deny that global capitalism itself has placed certain structural limitations on the limits of the possible. As Robinson points out, “the relentless pressure for outward expansion of capitalism and the distinct political, military, and cultural mechanisms that facilitate that expansion and the appropriation of surpluses it generates is a structural imperative built into capitalism.”<sup>59</sup> Overlooking these imperatives can lead to superficial judgments about particular left governments

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<sup>55</sup> Thomas Muhr, “Reconstructing Popular Power in Our America: Venezuela and the Regionalization of ‘Revolutionary Democracy’ in the ALBA-TCP Space” (2013) 33:2 *Third World Quarterly* 225 [Muhr, “Reconstructing Popular Power”].

<sup>56</sup> Thomas Muhr, “Bolivarian Globalization? The New Left’s Struggle in Latin America and the Caribbean to Negotiate a Revolutionary Approach to Humanitarian Militarism and International Intervention” (2012) 9:1 *Globalizations* 145.

<sup>57</sup> *Supra* note 4 at 7.

<sup>58</sup> Muhr, for instance, writes that “the concept of the State-in-revolution can be extended to other ALBA-TCP member States, especially Bolivia, Ecuador, and Nicaragua. There, the power structures are reconfigured in similar ways as in Venezuela, although these processes and policies are not uniform.” Muhr, “Reconstructing Popular Power”, *supra* note 55 at 235.

<sup>59</sup> Robinson, “Latin America and Global Capitalism”, *supra* note 44 at 42.

“selling out.”<sup>60</sup> This awareness, of course, must not lead us to overlook the variability in the ideologies, class alliances, and strategies of Latin America’s new left. As we shall see, some “left” governments are decidedly more to the left than others.

#### IV. Unpacking the New Left

The characteristics of the left and centre-left Latin American governments—their political-ideological orientations, commitment to structural transformation, relationship to social movements, economic strategies, and ultimate viability—has sparked more debate in the literature on Latin American politics in the last decade than any other issue. Liberal and conservative thinkers have also been deeply concerned with this topic and the common convention for discussing the Latin American left is to begin by either accepting or rejecting Jorge Castañeda’s dichotomy between a responsible social-democratic current committed to the market (Brazil, Chile, and Argentina) and a supposedly irresponsible one seeking socialist transformation (Venezuela, Bolivia, and Ecuador).<sup>61</sup> Several theorists have criticized this political binary not only for its normative commitment to global capitalism, but also for overlooking the diversity of relations between governments and popular movements in each of the “new left” countries.

Supporters of the new Latin American left have praised the various governments for reducing poverty and inequality, expanding spaces for democratic participation and enshrining social and cultural rights through new constitutions,<sup>62</sup> using commodity revenues to drastically increase social spending, and rejecting US dominance. However, scholars Petras and Veltmeyer warn that nearly all of the new-left governments have deepened a dependent-structure of accumulation in the world capitalist economy that privileges the interests of the agro-mineral oligarchy over the peasantry and urban working class.<sup>63</sup> Although they have benefited from the historic (if temporary) reversal of the trend towards deteriorating terms of international trade to register record rates of economic growth, they have merely pursued the modest social policy of the post-Washington Consensus without altering the underlying structure of the neoliberal economy. The commodities boom of the 2000s has provided the shallow foundations for the new approach. The ever-present risk, they warn, is that the productive alliance between the centre left regimes and the agro-exporters is unstable, with a resurgent rightwing constantly flexing its political muscle and harassing the very governments that have largely responded to its interests.

At the same time, although the more radical governments have not broken from neoliberalism, they do have the critical support of the social movements, which

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<sup>60</sup> *Ibid.*

<sup>61</sup> Jorge Castañeda, “Latin America’s Left Turn” (2006) 85:3 *Foreign Affairs* 28.

<sup>62</sup> On the establishment of “post-liberal” republican orders by the new left through constituent politics, see Maxwell A Cameron & Eric Hershberg, eds, *Latin America’s Left Turns: Politics, Policies, and Trajectories of Change* (Boulder: Lynne Rienner, 2010).

<sup>63</sup> Petras & Veltmeyer, *supra* note 27.

are trying to recapture the process of change.<sup>64</sup> Furthermore, critical scholars, including those outside of Latin America who have the opportunity to use their intellectual resources to build solidarity abroad, would do well to listen to Becker's note of caution that "a constant danger of criticizing a government that identifies itself as part of the left is that doing so may embolden the right."<sup>65</sup> The political scientist Emir Sader cautions social movements against launching frontal attacks on friendly governments and "mistaking a vacillating ally for the enemy."<sup>66</sup> Despite their contradictory policies, Sader argues, these new governments are not the same as previous ones.<sup>67</sup> These injunctions are important, particularly in a region where the alternative to the moderate left is more likely to be a return to the dystopia of neoliberalism and its concomitant everyday violence than an advance to democratic socialism. Still, they cannot be allowed to cloud a sober assessment of the counter-hegemonic prospects of these governments and their potential to shape a more democratic multilateral regional order that breaks with US-led global capitalism.

Here, it is useful to recall some critical aspects on how we have come to understand counter-hegemony in the Gramscian tradition, how it develops, and how it can be undermined. Morton tells us that counter-hegemony is based on the organizational capacity of subaltern groups to establish a rival historic bloc to the prevailing hegemony through a sustained war of position.<sup>68</sup> An historic bloc, in turn, is more than an assemblage of alliances, encompassing a new ensemble of relations and practices made durable through both ethical vision and political form.<sup>69</sup> William Carroll further notes that counter-hegemony requires an ethics of solidarity that acknowledges differences and articulates a new ethico-political conception of the world. Even though counter-hegemony "draws much of its vitality from the immediate field of the conjunctural in resistance to the agenda of the dominant hegemony [eg, in the Latin American backlash to neoliberalism] ... [it must equally avoid] capture by the hegemonic discourses and practices that inform and organize that conjuncture."<sup>70</sup> On the challenges of counter-hegemony, Carroll quotes Gramsci and asks, "How can the present be welded to the future, so that while satisfying the urgent necessities of the one we may work effectively to create and 'anticipate' the other?"<sup>71</sup>

With this in mind, a brief assessment of the hegemonic blocs that underpin three of the most prominent of the new left and centre-left governments, the extent to which they remain wedded to a neoliberal structure of accumulation, and their contradictions and weaknesses is provided. The countries surveyed briefly here are

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<sup>64</sup> Robinson, "Latin America's Left", *supra* note 46.

<sup>65</sup> Marc Becker, "The Stormy Relations between Rafael Correa and Social Movements in Ecuador" (2013) 40:3 *Lat Am Perspectives* 43 at 44.

<sup>66</sup> *Ibid.*

<sup>67</sup> *Ibid.*

<sup>68</sup> Adam David Morton, "Mexico, Neoliberal Restructuring and the EZLN: A Neo-Gramscian Analysis" in Barry K. Gills, ed, *Globalization and the Politics of Resistance* (London: Macmillan, 2000) 255.

<sup>69</sup> *Ibid.*

<sup>70</sup> William K Carroll, "Hegemony, Counter-hegemony, Anti-hegemony" (2006) 2:2 *Socialist Studies* 9 at 20.

<sup>71</sup> *Ibid* at 33.

Brazil, Bolivia, and Venezuela. While Brazil is the most important of the centre-left governments, it is also at the centre of the geopolitical changes that are sweeping the hemisphere. Bolivia and Venezuela are considered to be more radical (having explicitly embraced socialism); however, Bolivia in particular shares many of the same features of the more moderate left despite its dynamic social movements and trenchant critique of US imperialism. Venezuela's break with both US imperialism and the structural imperatives of global capitalism are most pronounced, though the future direction that the class struggle will take following the death of Hugo Chávez remains uncertain. Each of these countries tells us something about the challenges of constructing a regional counter-hegemony that not only breaks the regional dominance of the United States, but also weakens the entrenched power of the landed oligarchy and its preference for a liberal world economy. Each has pursued new forms of combined development to different degrees without fully being able to unite civil society and the State behind an alternative project. The contradictions of the movement towards greater regional autonomy and a more multilateral hemisphere are discussed in the concluding section.

#### **A. Lula's Brazil and Dilma Rousseff's Growing Crisis of Authority**

Luiz Inácio Lula da Silva (Lula) was first elected in 2002 by an alliance of so-called "losers" that had been adversely affected by the neoliberal policies of the 1990s, a coalition of the organized working class, domestic bourgeoisie, parts of the oligarchy, sections of the middle class and the informal proletariat. Despite widespread rejection of the neoliberal model, social movements during this period remained weak and the shift to the centre left was in some ways a pragmatic response to pre-empt radical mobilizations along the lines of neighbouring Argentina. Although the Workers' Party (Partido dos Trabalhadores [PT]) boasted a radical past, it had largely shifted its actions to the realm of electoral politics by the late 1990s, concentrating its efforts on electing congressmen. During his first administration, Lula and the PT followed orthodox economic policies, departing slightly from the deeply entrenched neoliberal model through greatly expanded federal programs of social assistance. Although the administration made considerable efforts to formalize employment, expand the electrical grid, and improve the lives of the urban poor, millions of peasants continued to live in marginalized communities. Nonetheless, Lula transformed the personnel of the State, staffing government and the public service sector with considerable labour activists and members of the working class.<sup>72</sup>

Social assistance programs, such as the popular Bolsa Familia (family purse), won Lula the support of the unorganized poor, including women, for his second presidential bid, whereas an increase to the minimum wage lost him the support of the middle class, who rallied again the high-level corruption scandals within the PT. As a result, Lula was elected president by a coalition of the domestic bourgeoisie, organized working class, and informal proletariat. During his second term in office,

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<sup>72</sup> This and the following paragraph draw upon the account provided in Alfredo Saad – Filho and Lecio Morais, "Mass Protests: Brazilian Spring or Brazilian Malaise," (2014) 50 Socialist Register 227.



Lula launched a neo-developmental agenda calling for a return to industrial policy, including the expansion of State-owned enterprises (i.e. Petrobras [oil] and Eletrobrás [electricity]) and private investments financed by State-owned banks, especially BNDES, the largest development bank in the world. His policies also selectively supported the transnationalization of domestic firms (“national champions”) in banking, aviation, and construction. All in all, a growth surge linked to a consequent increase in consumption resulted. Although Brazil remained highly unequal, the country witnessed an unprecedented decline in both poverty and inequality.

All the same, the country’s industrial growth relied heavily on commodity exports, a strategy that prevented significant land reforms. “The major ‘movements’ in the countryside has been totally dominated by the soya, timber, sugar-ethanol elite that has dispossessed the small farmers and the subsistence peasant producers in expanding their production of biofuels crops and other agricultural exports.”<sup>73</sup> Foreign investments were the driving force behind these movements.<sup>74</sup> Even though some small farmers received considerable support from the government, the failure of the PT in improving the lives of marginalized peasants had considerably alienated the country’s largest and most organized social movement, the Brazilian Landless Rural Workers Movement (Movimento dos Trabalhadores Rurais Sem Terra [MST]). João Pedro Stédile, a long-time leader of the MST, notes that the subordination of the countryside to transnational capital, which resulted from an alliance between multinational corporations (e.g. Monsanto) and the old *latifundiários*, who super-exploited peasant labour, continued apace under the Lula administration.<sup>75</sup> According to Miguel Carter, “from 2003 to 2007, State support for the rural elite was seven times larger than that offered to the nation’s family farmers, even though the latter represent 87 % of Brazil’s rural labor force and produce the bulk of food consumed by its inhabitants.”<sup>76</sup> In the first three years of the Lula administration, 300,000 new hectares of eucalyptus were planted in the southern State of Rio Grande do Sul alone, dwarfing the 100,000 hectares that the MST had cultivated for 25 years. The strong connections between domestic and international capital markets are evident in the natural resources sector as well. For example, in 2011, Brazil became the largest extractive economy on the continent, extracting three times more mineral resources (410 million tons) than all other South American countries combined (147 million tons).<sup>77</sup>

The foreign policy objectives of Brazil in the early 2000s must be understood in the context of its economic development. During the early 1990s, the Collor de Mello government sought the revival of Mercosur as an “incubator to get Brazilian businesses ready for the global competition that would be unleashed during Lula’s

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<sup>73</sup> Petras & Veltmeyer, *supra* note 27 at 23

<sup>74</sup> *Ibid.*

<sup>75</sup> Stédile, *supra* note 38.

<sup>76</sup> Quoted in Chris Tilly, Marie Kennedy & Tarso Luís Ramos, “Land Reform under Lula: One Step Forward, One Step Back”, online: (September/October 2009) Dollars & Sense at para 7 <<http://www.http://dollarsandsense.org>>.

<sup>77</sup> Eduardo Gudynas, “Hyperglobalization Still on Course” (December 2013), online: Americas Program <[www.cipamericas.org/archives/11208](http://www.cipamericas.org/archives/11208)>.

tenure.”<sup>78</sup> Brazil’s regional integration efforts were thus tied in many ways to its ambitions of emerging as a global power. Whereas Lula famously resisted the North American-led FTAA, he nevertheless embraced the World Trade Organization (WTO) and focused on reforming rather than rejecting the institutions of global capitalism (Roberto Azevêdo, the current Director General of the WTO, was the Vice-Minister for Economic and Technical Affairs of Brazil from 2006 to 2008. During this time, he served as the country’s chief trade negotiator for the Doha Round and represented Brazil in MERCOSUR negotiations). His strategy also favoured the formation of different clubs and groupings, such as the G20, to expand the scope of global capitalist governance through the greater involvement of emerging nations. Lula further sought to redirect some of Chávez’s regional initiatives without alienating its more radical neighbour.<sup>79</sup>

Under Lula’s less-charismatic successor, Dilma Rousseff, who was elected in 2010, the limits of Brazil’s accumulation strategy became more apparent. In 2013, Brazil experienced the volatility of the so-called global recovery as low interest rates and quantitative easing in advanced economies triggered increased capital flows and an appreciation of the real. This was followed by an abrupt outflow that crashed the São Paulo stock exchange, which tumbled from 62,000 points in January 2013 to 46,000 in July. The real was devalued and the right wing media began warning of the threat of runaway inflation. With a slowdown in growth, Brazil is experiencing a deteriorating balance of payments deficit, sluggish commodity prices, and the adverse effects of aggressive devaluations and the pursuit of beggar-thy-neighbour export-led recovery strategies pursued simultaneously in several large economies.

The administration’s economic difficulties were paralleled by a political crisis, the most visible signs of which were the large-scale demonstrations that rocked the country in June 2013. What began as a small demonstration of protestors demanding the reversal of a public transport fare increase in São Paulo, quickly escalated into a series of nationwide demonstrations. Despite initial hostilities towards the protestors, the right-wing media switched stances and called on the people of São Paulo to come out onto the street. Disparate sectors of society from across the political spectrum began demonstrating on a multitude of issues as the government faced a mounting crisis of authority. In the end, Rousseff managed to rally various progressive sectors to the government’s defence; nonetheless, the underlying social tensions remained unresolved, and, in view of the constraints of its accumulation strategy and delicate class alliances, the extent to which the government would be able to improve the lives of the majority of its citizens within was uncertain.

The limitations of the PT, in many ways, reflect the problems of the Latin American left more broadly. By refusing to challenge the underlying power of the

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<sup>78</sup> Sean W Burges, “Brazil as Regional Leader: Meeting the Chávez Challenge” (February 2010) 109 *Current Hist* 53 at 54–55.

<sup>79</sup> For example, Brazil insisted that the Bank of the South be modeled on its own National Bank for Economic and Social Development, financing infrastructure plans based on an economic rather than a political calculus. See Andrew Hurrell, “Brazil and the New Global Order” (February 2010) 109 *Current Hist* 60.

dominant classes by redistributing land and assets, the PT distanced itself from many of Brazil's social movements, particularly the MST (which still cautiously supported the government throughout the crisis so as not to further facilitate the rise of the right). In the years prior to the crisis, Brazilian sociologist Francisco de Oliveira regarded the political situation in Brazil as a kind of inverted hegemony, whereby the political leadership of the Workers' Party was recognized (and in some cases, even supported) by the dominant classes, and the party itself achieved the consent of the dominated to the structures of their exploitation.<sup>80</sup> As the gradualist strategy was running out of steam, the party's political hegemony seemed to be coming to an end, and its attempt to balance Brazil's polarized class relations through technocratic solutions faced mounting difficulties. To move beyond the limitations of a neo-developmental model (however more robust than the previous neoliberal strategy) and carry the process of economic and political democratization further, the social movements will have to continue to build their collective power and ability to lead politically. Whereas movements such as the MST played a critical role in this process, with the MST itself articulating a coherent counter-hegemonic philosophy grounded in an alternative vision of nature-society relations that privileged "popular food sovereignty" over the environmental destructiveness of agro-business,<sup>81</sup> the articulation across movements still appeared to be weak.

## **B. Evo Morales and the Contradictions of Socialist Extractivism**

The victory of Evo Morales and the Movement towards Socialism (Movimiento al Socialismo [MAS]) in the presidential and general elections in Bolivia in 2005 occurred in a context of mass indigenous mobilization and insurgency in the western highlands. As the country embarked on a new wave of revolt symbolized in the Water and Gas Wars, the neoliberal State was discredited; indigenous groups, landless peasants, workers, cocaleros, women, teachers, and other popular sectors demanded a complete break with both neoliberalism and the legacy of internal colonialism. From the outset, the MAS faced powerful opposition from right-wing regional forces exemplified by departmental prefects of the Media Luna (so named because the departmental capitals form a "half moon" on the map) and their civic committees, which represented the interests of the white oligarchs and middle-class mestizos in the eastern lowlands.

Numerous disputes over the of the constituent assembly and the drafting of a new constitution in 2006 and 2007 ensued; a MAS-sponsored constitution was eventually passed by popular referendum in January 2009. The prefects then launched regional autonomy initiatives and the conflict between the central government and the departments came to a head in August and September 2008, as MAS supporters clashed with regional authorities and members of the civic committees throughout the Media Luna. In Pando, 20 peasants were killed in a massacre organized by death

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<sup>80</sup> Perry Anderson, "Lula's Brazil" (March 2011) 33:7 *London Rev of Books* 3.

<sup>81</sup> See Abdurazack Karriem, "The Rise and Transformation of the Brazilian Landless Movement into a Counter-Hegemonic Political Actor: A Gramscian Analysis" (2009) 40 *Geoforum* 316.

squads in support of autonomy.<sup>82</sup>

Morales followed in the path of most of Latin America's new left leaders by dramatically increasing social spending through increased taxation of primary commodities and the partial nationalization of the oil and gas industries. This was coupled with a range of symbolic and cultural initiatives reasserting indigenous identities that are unparalleled in the history of Bolivia and perhaps the region as a whole. Traditional indigenous practices, such as communal justice, were granted legal standing within the Plurinational State of Bolivia's new constitutional order. The government also instituted numerous State mechanisms with which to consult social movements, proclaiming a new communitarian socialism in which the authorities are subordinate to the community; the representative "leads through obedience" (*manda porque obedece*) to the people<sup>83</sup> in contrast to the elitism favoured by the North American neoliberal polyarchy. These measures, combined with significant redistribution policies and an uncompromising rejection of US imperialism, have led many on the left to hold a favourable view of the government. Indeed, like Chávez, Morales regularly attacked US policies, expelled its ambassador, shut down the operations of the Drug Enforcement Agency, and forced the United States Agency for International Development (USAID) to realign its programs with government objectives (USAID was more recently expelled from neighbouring Ecuador). Bolivia equally played a key role in the regional backlash against the promotion of American democracy.

The State's efforts to construct a new ethico-political order were grounded in the histories of indigenous resistance, nationalism, and 21<sup>st</sup> Century socialism, which supposedly incorporated the lessons of the Soviet Union, Eastern Europe, and other 20<sup>th</sup> Century communist countries, by firmly anchoring "the process of change" within a democratic framework of multi-class alliance and negotiation.<sup>84</sup> The "original indigenous peasant" (*indigena originario campesino*) was at the centre of the national-popular project. This new subjectivity embodied the duality of class and indigenous identity in the creative spirit encouraged by Mariátegui, who recognized the need to build a Latin American brand of socialism. In a clear discursive break with neoliberalism, the State sought to promote a philosophy of "living well" (*bien vivir*).

However, there were signs that the MAS' indigenous-tinged neo-developmentalism would not provide a long-term alternative to neoliberalism. Webber argues that left-indigenous social forces were largely co-opted by the MAS during the "revolutionary" phase of the early 2000s, when the party embarked upon a strategy of class compromise and electoral politics. Rather than seize the opportunity for a revolutionary assault on the State provided by the mobilization of the indigenous-peasant movement in the wake of the Gas Wars, the MAS chose to

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<sup>82</sup> Forrest Hylton, "Reactionary rampage: The paramilitary massacre in Bolivia" (2008), online: North American Congress on Latin America <<http://www.nacla.org>>.

<sup>83</sup> See Félix Patzi, *Sistema comunal, una propuesta alternativa al sistema liberal* (La Paz: CEA, 2004).

<sup>84</sup> Steve Ellner, "The Distinguishing Features of Latin America's New Left in Power: The Chávez, Morales, and Correa Governments" (2012) 39:1 *Lat Am Perspectives* 96.

expand its electoral base by appealing to the urban-based petty-bourgeoisie and middle-class Mestizo intellectuals. The party substituted a real structural transformation with populist clientelistic policies and symbolic cultural politics. Even worse, it adopted an approach of accommodation towards the economic interests of the light-skinned agro-export elite in the eastern half of the country, which has regrouped politically and gained a renewed sense of autonomy.<sup>85</sup>

Large landholdings, plantations, and *latifundios* were excluded from land reform efforts.<sup>86</sup> Although more than 1 million people have benefited from land reform efforts, by October 2013, only 60 % of the total of 262 million acres were legally titled and the pace of reform had slowed. With growing pressure from highland *campesinos* for land, the State focused on expanding its colonization efforts in the eastern lowlands on the fringes of protected areas, a strategy met with strong opposition by indigenous groups. This happened at the same time as vast tracts in the eastern lowlands were held by agro-business and ranching elites (including many foreigners), who were illegally deforesting land to expand their holdings with little penalties from the State. The growing conflict between the *latifundios* of the landowners and the *minifundio* of the small Aymara peasantry further squeezed indigenous groups in the eastern lowlands.<sup>87</sup> Moreover, despite the MAS' National Development Plan, the country's dependence upon natural resources and primary commodities increased, in effect further empowering the eastern landowners.

As in the case of Brazil, the nurturing of the agro-export sector coexists with a heavy emphasis on mining, hydrocarbons, and natural gas. Despite the adverse environmental effects that undermined the supposed commitment to "living well" and that have alienated indigenous groups in the lowlands, the Bolivian government defended its aggressive approach to further developing its natural resources. In his book, *Geopolitics of the Amazon*<sup>88</sup> (*Geopolítica de la Amazonia*), Álvaro García Linera, Vice President of Bolivia, argues that the "revolution" is struggling to defend the country from US imperialism and that the construction of highways and the drilling for gas were means by which the State maintained a strong involvement in these sectors. Thus, those who questioned the government's policies were furthering the destabilization efforts of the United States. Even so, this masks the approach of accommodation taken toward foreign capital by the MAS and its unwillingness to further democratize the economy. Although it has greatly increased its taxation of natural resources, the Bolivian share of overall production is only 15 % compared to 57 % in Brazil and 28 % in Argentina. Furthermore, the largest companies in the

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<sup>85</sup> Jeffery Webber, *From Rebellion to Reform in Bolivia: Class Struggle, Indigenous Liberation, and the Politics of Evo Morales* (Chicago: Haymarket Books, 2011). See also Petras & Veltmeyer, *supra* note 27.

<sup>86</sup> For example, in Beni (part of the *Media Luna*), ten families own 34,000 hectares of land; in Pando, eight families own one million hectares of the most fertile land. Petras & Veltmeyer, *supra* note 27 at 112.

<sup>87</sup> Emily Achtenberg, "Bolivia: The Unfinished Business of Land Reform" (April 1 2013), online: North American Congress on Latin America <<http://www.nacla.org>>.

<sup>88</sup> See Álvaro García Linera, "Geopolitics of the Amazon - Patrimonial Hacendado power and capitalist accumulation", online: (2012) Links International Journal of Socialist Renewal <<http://www.links.org.au>>.

hydrocarbon sector – Repsol (Spain), Total (France), and Petrobras (Brazil) – are foreign-owned. In fact, as economist Carlos Arze maintains, “foreign companies still control more reserves and production than the State and [the] government[’s] fiscal dependence on hydrocarbon rents is deepening. Exports of other goods, manufactured and not—even to the allied nations of the ALBA are shrinking.”<sup>89</sup> While the issue as to whether traditionally poor States such as Bolivia should expand their mining operations is a difficult one, the point here is that the Bolivian State’s strategy of expansion seems to be occurring at the expense of a more long-term strategy of State-led industrialization to counter the traditional dominance of foreign capital.

Bolivia thus contested the geopolitical dominance of the United States and remained deeply subordinated to the imperialism of global capital. To the extent that the MAS has led a counter-hegemonic movement against the neoliberal State, this movement has largely left the power of the oligarchs intact and has failed to undertake a deeper democratization of the economy. It has become victim, in other words, to the hegemonic practices of the past. The most immediate consequence of this failure is the growing divide between popular forces in civil society and the MAS-led State. The year 2010 culminated in a generalized conflict between the State and wide sectors of the Bolivian society during the so-called *gasolinazo*, when the government decreed a 73 % increase in the price of liquid fuel, while reducing gas and diesel subsidies. The measure triggered a series of widespread social protests that eventually obliged the government to rescind its policy. A few months later, after two decades of social marginalization, the Bolivian Labor Confederation (Central Obrera Boliviana) started a new wave of social protests, calling for a wage increase above the 5 % proposed by the government to counter inflation. However, the largest wave of protests followed the controversial government plan to construct a transcontinental highway through the Indigenous Territory of the National Park Isiboro Sécuré, which led to a month-long mobilization of indigenous peoples in the east as well as counterdemonstrations by sectors closer to the MAS (mainly peasants and coca growers eager to colonize more land in the lowlands). Morales eventually backed down and forbade the construction of the highway through the indigenous territory. Nonetheless, the episode demonstrated, again, one of the main weaknesses in the social bloc that the MAS sought to construct. Despite the government’s indigenous discourse, its main supporters in the highlands were not above responding to the racist diatribes directed against the indigenous peoples of the lowlands.<sup>90</sup> The fragmentation of left popular forces and the new forms of opposition to the MAS persist.

The difficulties of constructing a veritable socialism for the 21<sup>st</sup> Century undoubtedly reflect the structural imperatives imposed by global capitalism, which has simultaneously entrenched itself and the economic power of the oligarchy in the context of poverty and underdevelopment. Be that as it may, the political decisions of the MAS have been equally important. Whether the more radical social movements

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<sup>89</sup> Bret Gustafson, “Amid Gas, Where is the Revolution?” (28 May 2013), online: North American Congress on Latin America <<http://www.nacla.org>>.

<sup>90</sup> Lorenza Belinda Fontana, “On the Perils and Potentialities of Revolution: Conflict and Collective Action in Contemporary Bolivia” (May 2013) 40:3 *Lat Am Perspectives* 26.

will gain momentum and challenge the weak hegemony of the MAS remains to be seen. What is more apparent, as Petras and Veltmeyer argue, is that a true counter-hegemony requires a fundamental change in national policy to benefit from a productive increase in the popular and private sectors, while reducing the power of the rentierist oligarchy.<sup>91</sup> Specifically, a widespread wave of nationalizations and State control of society's strategic resources are necessary. Hence, counter-hegemonic practices that do not merely reproduce past rentierist strategies are a must.

### C. Counter-Hegemony in Venezuela: Chávez and Beyond

Whereas Bolivia's break from the neoliberal State of the 1980s and 1990s occurred in a context of indigenous insurgency, Venezuela's split from former neoliberal governments happened in less dramatic circumstances. The widespread opposition to neoliberal State policies gave way to regional anti-neoliberal insurgencies in February 1989; nevertheless, Chávez's presidential victory in 1998 did not result from the mass mobilization of radical social forces. Prior to this, the episodes of contention that swept Venezuela in the 1990s failed to coalesce a unified, coordinated anti-neoliberal movement against the State, which, as Silva argues, managed confrontation with labour by maintaining elements of the old national-popular compromise that predated neoliberalism.<sup>92</sup> Hence, the progressive radicalization of the Chavista government that ensued over the next 14 years was as much a product of the intensified class struggle from below, as it was of the radical direction boldly charted at the top.

Chávez's first years in office were characterized by important reforms, including a new constitution approved by popular referendum in 1999 that characterized the participatory and protagonist aspects of Venezuela's democracy. The record number of electoral contests that followed the constitution, including referenda and recall initiatives, provided the citizenry with opportunities to participate, in addition to the new local participatory spaces that were created (discussed below). The establishment of a constituent assembly and new Magna Carta in 1999 (approved by referendum) provided the beginnings of a counter-hegemonic legal-institutional framework to replace the neoliberal polyarchy, one that would become a defining feature of left governments across the region (including Bolivia and Ecuador). In 2001, 49 laws followed this initiative, including the Organic Hydrocarbons Law, the Lands Law, and the Fisheries Law, which was rejected by both the oligarchy and the bureaucratic elite that had traditionally represented its interests.

The Bolivarian Revolution, however, did not embark upon a more radical trajectory until after the failed US-supported coup of April 2002. In the wake of the coup, tens of thousands of working class and marginalized Venezuelans rallied to the defence of the government. As a result of this confrontation, chavismo was

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<sup>91</sup> See Petras & Veltmeyer, *supra* note 27.

<sup>92</sup> See Silva, *supra* note 29.

subsequently pushed in a more popular direction by mass participation and the full socialization of the economy. In the 2004 presidential recall election, mass electoral organizations were formed in support of the president. Similar organizations would serve as key features of the popular landscape in the elections and referenda that followed. In 2006, various pro-Bolivarian parties merged to form the United Socialist Party of Venezuela (Partido Socialista Unido de Venezuela [PSUV]); 5.7 million people joined the party and local party “spokespeople” were elected.<sup>93</sup> The new party also encouraged mass participation in gubernatorial and mayoral primaries, and thus the PSUV emerged as an important site of struggle between left and conservative elements in the Chavista movement, between socialist activists and corrupt or stagnant bureaucratic layers.<sup>94</sup>

Tens of thousands of young volunteers created social missions to reduce urban and rural illiteracy, extend health coverage, and increase local participation and organization. Coupled with massive increases in social spending, the missions contributed to unprecedented advances in social developments. Still, communal councils, neighbourhood-based elected councils that initiated and oversaw local policies and community development projects, were the most important institutional spaces to facilitate the building of collective power. In fact, as Petras and Veltmeyer point out, the councils were key figures in counter-hegemonic movements, offsetting the paternalistic mind and action-set of many Chavista cadres, who created “patron-client consciousness vulnerable to quick switches to oligarchic–client relations.”<sup>95</sup>

These important social and institutional innovations have occurred in tandem with deep economic structural changes. The nationalization of important sectors (what was once referred to as the “commanding heights”) began in 2007, when the State assumed 60 % ownership rights over refining operations along the Orinoco Belt, perhaps the largest oil reserve in the world. (Although the operation vastly increased State revenue, workers had suffered a pay cut when they were transferred to the government’s payroll.)<sup>96</sup> Although some multinationals refused to negotiate with the government, most accepted compensation and continued their operations under the new arrangement. Nationalizations also occurred in cement production, electricity, steel, and telecommunications sectors; the government also acquired the nation’s oldest and largest bank, the Bank of Venezuela. Despite these important changes, big capitalists were mostly left in charge of banking and finance, distribution, manufacturing, transport, and the service sectors. Chávez’s land reform efforts, which date back to the Land Law of 2001, were also ambitious (and likely unparalleled this century). It is estimated that since the law was put into effect in 2005, the government “rescued” over 9.9 million acres of land occupied by landowners without legal titles and redistributed them to small farmers or farmers’ collectives. In contrast to Bolivia,

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<sup>93</sup> Steve Ellner, “Hugo Chávez’s First Decade in Office: Breakthroughs and Shortcomings” (2010) 6:1 *Lat Am Perspectives* 77 [Ellner, “Hugo Chávez’s”].

<sup>94</sup> Jeffrey Webber, “Venezuela under Chávez: The Prospects and Limitations of Twenty-First Century Socialism, 1999–2009” (2010) 6:1 *Socialist Studies* 11.

<sup>95</sup> Petras & Veltmeyer, *supra* note 27 at 180.

<sup>96</sup> Ellner, “Hugo Chávez’s”, *supra* note 93.



the pace of expropriation and redistribution has also intensified in recent years.<sup>97</sup> The government promoted thousands of agricultural cooperatives and established a State-run food distribution chain, Mercado de Alimentos (MERCAL), with 15,000 retail outlets to break the oligopolistic structure of the food industry (which had induced shortages during the 2002–2003 general strike). With the backing of major peasant organizations, 27 sugar plantations were expropriated as well<sup>98</sup> All the same, the Bolivarian Revolution was immune from the politics of agro-appeasement that have afflicted neighbouring countries. *Latifundios* dominated the countryside and received generous subsidies from the State for agricultural activities even though their profits were not being reinvested in farming.<sup>99</sup>

In addition to these important advances, Venezuela has done more than any other State to build the collective capacity of Latin American States to offset US power through a variety of institutional forums, economic agreements, and collaborative efforts. These have been tied to the articulation of a creative hegemonic discourse of regional unity that draws upon the national and collective histories of emancipation and the struggles against imperialism typified in such works as *Nuestra América* (Our America) and *La Patria Grande* (Grand Homeland). The most important of the regional initiatives have already been mentioned, as has the fact that Venezuela's quest for a more multilateral world has led to unsavory alliances that find little justification outside of the crudest calculations of realpolitik. Interestingly, in his first presidential speech, former foreign minister, Nicolás Maduro, reiterated his commitment to advancing Venezuela's key international objectives: the consolidation of Venezuela's role within the emerging "great Latin American and Caribbean power," and the advancement of a "new international geopolitics" of multicentrism and pluripolarity.<sup>100</sup>

Whether Venezuela will succeed at combining these ambitious geopolitical goals while deepening and strengthening the Bolivarian Revolution remains to be seen. What is clear, however, is that the consolidation of a counter-hegemonic State in Venezuela is no easy task. Whereas the importance of Chávez's leadership to the revolution is beyond dispute, critics on the left such as Margarita López Maya worried that his tendency to centralize decision making in the executive would ultimately undermine the sustainability of the Bolivarian Revolution and weaken the autonomy of social movements.<sup>101</sup> Ellner warns that "Chávez's undisputed role as

<sup>97</sup> Chris Carlson, "Venezuelan Government Accelerates Land Expropriations" (November 20, 2012), online: [venezuelanalysis.com <http://venezuelanalysis.com/news/7500>](http://venezuelanalysis.com/news/7500).

<sup>98</sup> Ellner notes, however, that these reforms failed to significantly alleviate the ongoing shortage of staples in 2007, which contributed to the government's defeat in the referendum held that December. Ellner, "Hugo Chávez's", *supra* note 93.

<sup>99</sup> Petras & Veltmeyer, *supra* note 27.

<sup>100</sup> Luis Fernando Angosto-Ferrández, "Democracy, Revolution, and Geopolitics in Latin America: Venezuela and the International Politics of Discontent" in Luis Fernando Angosto-Ferrández, ed., *Democracy, Revolution, and Geopolitics in Latin America* (New York: Routledge, 2014) at 3.

<sup>101</sup> Margarita Lopez Maya, "Venezuela Today: A 'Participative and Protagonistic' Democracy?" in Leo Panitch & Colin Leys, eds., *Socialist Register 2008, Global Flashpoints: Reactions to Imperialism and Neoliberalism* (Monmouth: The Merlin Press, 2007) 160. Although this criticism is not without merit, much of the conservative and liberal critiques of Chávez as a would-be-dictator do not. For a thorough

maximum leader of the government and the Chavista movement slows down the emergence of collective leadership and competition for leadership roles and hinders the organizational development of the party.”<sup>102</sup> This tendency, he argues, also prevented the party from “serving as a two-way link between the Chavista base and social movements on the one hand and State institutions on the other.”<sup>103</sup> With a much less charismatic figure in power, these institutional and organizational weaknesses may take on added significance.

The economic situation will not provide much breathing room for the new president. Apart from its dependency upon oil revenue, Venezuela’s economic weakness has been most manifest in its difficulties in controlling inflation, the Achilles heel of the left in power. Chronic shortages, a poor investment climate, and the failure of productive capacity to keep pace with increased demand through wage increases have led to inflation. Like many socialist countries in the past, Venezuela has done well at redistributing wealth, but much less so at stimulating the production of consumer goods. The fact that rightwing opponents still control much of the economy and have withheld investment has also been a key problem.<sup>104</sup> Indeed, the ongoing power of the opponents of chavismo—the middle class social movements, the cattle and large landowner organizations, the retailers and private professionals and many NGOs—further dampens the prospects of a revolutionary deepening. The opposition is well organized (having overcome much of its earlier fragmentation, as witnessed by the results of the most recent presidential elections, when Maduro defeated Henrique Capriles with just 1.5 % of the vote) and able to mobilize large numbers of supporters in the streets. The fate of the Bolivarian Revolution will ultimately depend upon the resilience of the forms of collective power that have been cultivated and the ability of revolutionary forces within the PSUV to lead the movement forward. This will entail ongoing struggles within the party against bureaucratic and clientelistic forces and the willingness to continue the exhausting task of waging the class struggle.

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refutation of the many liberal-inspired critiques of Chávez from a social democratic perspective, see Maxwell A Cameron & Kenneth E Sharpe, “Andean Left Turns: Constituent Power and Constitution Making” in Maxwell A Cameron & Eric Hershberg, eds, *Latin America’s Left Turns: Politics, Policies, and Trajectories of Change* (Boulder: Lynne Rienner, 2010) 61.

<sup>102</sup> Ellner, “Hugo Chávez’s”, *supra* note 93 at 84.

<sup>103</sup> *Ibid.*

<sup>104</sup> Weisbrot provides an optimistic assessment of Venezuela’s recent financial situation, noting that a balance of payment crisis is unlikely, the current account is in surplus, and hyperinflation a remote possibility. For the first two years of the economic recovery that began in June 2010, inflation was falling even as economic growth accelerated to 5.7 % for 2012; inflation peaked in May 2013 at 6.2 %, down to 4.4 % in September. At the same time, poverty dropped by 20 % in 2012, the largest drop in the Americas and possibly the world. Mark Weisbrot, “Long-Awaited Apocalypse not Likely in Venezuela” (7 November 2013), online: The Guardian <<http://www.guardian.co.uk>>.

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Latin America's geographic proximity to the United States has long rendered it susceptible to the worst excesses of US imperial ambition. However, as we have seen, the projection of US power in the Americas is not simply about advancing the interests of US capital, but also about strengthening the power of oligarchs benefiting from a US-led regional order. The primary function of US geopolitical dominance in the region is to police the class struggle and to reinforce the coercive abilities of the State. Although internal class struggles within the uneven and combined development of national formations at times loosened the grip of imperialism and oligarchy, class rule throughout much of the 20<sup>th</sup> Century took the form of direct domination over consent. Supremacy substituted for hegemony. The resurgence of democratic movements brought forth a new strategy of passive revolution on the part of Northern imperialism (with Canada joining the fray); however, this strategy proved incapable, for the most part, of containing a new cycle of revolt that played a decisive role in electing left and centre-left governments across the region. At the same time, deep structural changes have led to new counterbalances against US power, including the combined development of regional contenders such as Brazil and the emergence of China as a key economic player in the region.

While these changes have led to a more multipolar regional order and considerable setbacks for US imperialism, one should be cautious about seeing these developments as the beginning of counter-hegemonic change in the way imagined by Gramsci. The history of revolution and revolt in Latin America has always struggled against the interrelated forms of national and class exploitation; the current left and centre-left governments, with the exception of Venezuela, are more anti-imperialist than socialist, more neo-developmental and reminiscent of the left-nationalists of the 1960s and 1970s than structurally transformative. We thus encounter a seeming paradox. On the one hand, the new geopolitical economy of State-led resource exploitation that is driving Latin America's combined development has opened up new space for the expansion of its own enterprises, the impetus to reject US imperialism, and the financing of social programs. On the other, the model itself is based on subordination to global capital and prevents the effective articulation of counter-hegemony by dividing subaltern social forces and strengthening a model of left populism rather than bottom-up capacity building. Combined development is still subordinate to global capital and the new left has been more willing (and has doubtlessly found it more politically expedient) to attack US imperialism without fundamentally challenging the domestic class relations which have internalized transnational interests.

Even so, the paradox dissolves upon further inspection. Latin America's dominant classes have always looked outward to the world capitalist market and with today's agro-exporters still holding considerable economic and political power, it is unsurprising that the global-capitalist variant of the world economy still holds so much sway, even if the United States is no longer welcome throughout much of the

region. Contemporary imperialism in Latin America is not just about US domination. China, Spain, Canada, the United Kingdom, and the rest of Europe now have considerable interests in the region. As Latimer points out, with special reference to Colombia and the Andean region, the United States, Canada, and Europe are working towards similar ends as they aggressively pursue investment treaties and free-trade agreements.<sup>105</sup> Their corporations are in commercial competition, but at the same time they “cooperate within a neoliberal institution-forming and agenda-setting framework that works for them and still disproportionately benefits the Global North.”<sup>106</sup> Today, US and European capital investments in Latin America are three times greater than 15 years ago. As Higginbottom concludes, “Galeano’s ‘veins of Latin America’ are indeed still open.”

The traditional US geopolitical function is not a thing of the past. As Vanderbush points out, Obama’s “good neighbour imperialism” has largely remained faithful to Republican military, commercial, and geo-political objectives.<sup>107</sup> The ongoing militarization of the drug war in Mexico and massive amounts of security aid to Colombia provide allied States with considerable resources to deal with the political unrest, crime, and social problems associated with pronounced inequality.<sup>108</sup> Regionally, the US–Colombia Defense Cooperation Agreement, which came into force in October 2009, facilitates US access to several Colombian military facilities with the aim of coordinating actions in the war on terror and counter-narcotic operations. Obama also reactivated the US Fourth Fleet in the Americas after 58 years of absence, providing further indication that the United States is reaffirming its military preponderance in Latin America.<sup>109</sup> The United States and Canada have both also played an important role in coalescing conservative neoliberal allies within a new regional trade agreement, the Pacific Alliance, which provides a counterbalance to the ALBA. At the same time, they have shown their willingness to turn their backs on the democratic norms enshrined in the OAS. For example, in 2009, they provided considerable legitimacy to a coup that took place in Honduras by sanctioning fatally flawed elections and supporting the illegitimate government that was installed; the rest of the region heavily criticized the elections..

The neo-developmentalism of the new left and centre-left is unquestionably a step forward from the brutal Washington Consensus. The backlash against US imperialism in many places is an equally positive development, one that places limitations on US geopolitical power even if it has not altogether disappeared. However, if multipolarity is to break from the imperatives of global capitalism in

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<sup>105</sup> Cited in Higginbottom, *supra* note 54.

<sup>106</sup> *Ibid* at 200.

<sup>107</sup> Walt Vanderbush, “Good Neighbor Imperialism: U.S.–Latin American Relations under Obama”, online: (Summer 2011) 3:51 *New Politics* <<http://newpol.org>>.

<sup>108</sup> In Mexico, security and peace assistance was just under \$530 million in 2010; in Colombia, it was \$516 million in the same year. USAID, *Congressional Budget Justification: Volume Two, Foreign Operations, FY 2011* (2011), online: U.S. Agency for International Development <<http://www.usaid.gov/performance/cbj/index.html>>.

<sup>109</sup> Mario E. Carranza, “Reality Check: America’s Continuing Pursuit of Regional Hegemony” (2010) 31:3 *Contemporary Security Policy* 406.

support of counter-hegemonic transformation, then national class struggles have considerable ways to go, even in Venezuela. The deepening of democracy in the hemisphere will depend upon the ability of social movements to combine political vision with leadership in a project to transform the State. What remains to be seen is whether the more radical regional bloc organized under the ALBA will crystallize into a coherent alternative with its own distinct regional political economy. There are few signs of this happening right now; nevertheless, it should remain a tactical focus of the Latin American left since it is the only regional project with the potential to move beyond neoliberalism. In the meantime, Gramsci's rich legacy will continue to help us distinguish between historical developments that portend a legitimate counter-hegemony in the region and those that merely reproduce the hegemonic practices of the past through passive revolution.