

The Left in Latin America Today

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Much to the dismay of the U.S. Government which fears losing its grip on its own back yard, left and center-left governments in Latin America have in recent years changed the political face of the region. These include the governments of Argentina, Brazil, Venezuela, Uruguay, and most recently, Bolivia, Chile, Ecuador and Nicaragua. Rafael Correa and Daniel Ortega, presidents of Ecuador and Nicaragua respectively, just took office in January of this year, but they are already challenging neo-liberal policies.

These left-of-center governments have come to power in response to the economic and social devastation that U.S. backed neo-liberalism has wrought on the continent and that reached its peak in the 1980s: deindustrialization, mass unemployment, cuts in social services and marginalization of various populations, including the indigenous.

Far from projecting a united ideological front, each country's response, argues the magazine *envio*, reflects its own particular history and culture. Thus, the victory of Evo Morales in Bolivia grew out of the uniquely strong and organized social movements of that country which were newly galvanized by the attempted privatization of water in 2000. The popularity of President Michelle Bachelet of Chile is largely based on her being a symbol of reason and women's rights in a country striving to modernize.

Latin America's left-leaning regimes are rebelling against the Washington consensus and its neo-liberal ideology of privatization and market liberalization. These policies have increased poverty and decreased national sovereignty while giving multinational corporations a free rein. A

few years ago, President Luis Inácio Lula de la Silva of Brazil spearheaded the drive of Latin American countries to loosen the grip of free market orthodoxy. Brazil led the opposition to the Free Trade Area of the Americas (FTAA), which like the North American Free Trade Agreement with Mexico, would, if ratified, mean U.S. domination of trade with its signatories. In an effort to institute non-U.S. investment and trade, especially with Asia, Lula encouraged countries of the hemisphere to negotiate 400 deals with China. With the weakening of Lula's government and the ascendance of President Hugo Chavez of Venezuela on the region's political playing field, Venezuela has taken the lead on trade and other economic issues. (Lula made a comeback in his October reelection with over 60% of the vote. Although his first term saw only limited reforms, his victory has galvanized 17 social movements to press for systemic change.)

Chavez's strategy involves regional economic cooperation as a way to weaken the U.S. grip on Latin America. For example, Argentina, Brazil and Venezuela plan to build a 5,000 mile pipeline to bring natural gas to Argentina. In addition, Chavez has set up three oil alliances in the region, the Caribbean included, that provide Venezuelan oil on favorable payment terms, and allow some countries to pay their debt in kind, in the case of Cuba, with physicians. And with Venezuela's entrance into Mercosur, the customs union made up of five member states and five associate members is being strengthened.

And then there is the Bolivarian Alternative for the Americas (ALBA), the trade agreement created by Venezuela and Cuba in 2005 to which Bolivia and Nicaragua now belong. "Alba represents the American peoples' aspirations for independence and their rejection of the policies

promoted by the U.S., which have created a social emergency in Latin America,” said Ortega at a January ceremony to celebrate Nicaragua’s entrance into the agreement.

The revolt against neo-liberalism also entails attempts to assert national sovereignty at the expense of international capital. In 2005, Argentina’s president, Nestor Kirchner, defied the IMF by announcing that Argentina would pay only 30% of its external debt. Under pressure from various quarters, the IMF caved in. Moreover, tentative steps are being taken in Argentina and elsewhere to develop projects that privilege national production over multinational production. As Nicaraguan journalist William Grigsby put it in an interview with me in April 2006, “Latin America needs nationalist projects because we are being absorbed by the U.S. on the economic, political and cultural level. We are being castrated. So I think we need national projects like that of Kirchner who just renationalized the water company.” The government had earlier created a state-run airline and an energy company. Grigsby predicts that Chile’s Bachelet, inaugurated as president in March 2006, will move in the same direction. Although a socialist, she and her governing coalition have followed the neo-liberal model for four consecutive administrations. President Tabaré Vázquez of Uruguay, elected in 2004, is also a moderate leftist who pursues market-friendly policies. In a November talk at Princeton University, Jorge Castañeda distinguished between two lefts in the region. One is moderate and reformist, represented by Chile and Uruguay, as well as Brazil. The other is radical and nationalistic, with Bolivia and Venezuela falling into this camp.

Under Chavez, the Venezuelan nation-state plays a larger role in the economy than the neo-liberal model allows. The government has created state airlines, telephone companies, and a state TV channel. Prior to Chavez's reelection in December 2006, it nationalized two companies and instituted state-worker management there. Since the election, he nationalized the telecommunications and electric industries. "All that was privatized, let it be nationalized," Chavez said at the January 8 swearing in of his cabinet. Moreover, since Chavez broke the managers' oil strike in January 2003, oil revenue has been used for education, health services, and other public goods. Chavez calls this "the socialism of the 21st century" and though capitalism still prevails, his program with its prioritization of social needs does represent an alternative to the neo-conservative ideology of the U.S.

The example of Venezuela highlights the debate between those who look to the state for basic social change and those who, suspicious of state power and potential authoritarianism, rely on social movements that are loosely and horizontally connected to achieve such transformation more democratically. These social movements are typically represented at the World Social Forum. In this connection it is important to note that the Venezuelan Government is both progressive and democratic. (It is ironic that the Zapatistas, who reject the notion of taking state power, do not attend the Forum.) And Chavez himself understands pragmatically the issues at stake. As Chuck Kaufman, co-coordinator of the Nicaragua Network, reported on the World Social Forum of January 2006, Chavez told those gathered there that "it (the Forum) cannot just be a debating club, that activists must have a goal of achieving state power if they expect to fulfill the slogan, 'Another world is possible.'"

The Venezuelan National Assembly recently gave Chavez the power to rule by decree in 10 domestic areas in the next 18 months. This is a troubling move. However, it is constitutional.

Bolivia is another country that is implementing a national project. It has two aspects. One is the April signing of the Peoples Trade Agreement by Morales, Castro and Chavez. The agreement is a deliberate attempt to counter the U.S. backed FTAA that would help multinationals penetrate the countries of the region. The second aspect is the nationalization in the spring of 2006 of 15 companies that controlled natural gas and petroleum production. In May, Morales proclaimed that “looting of our natural resources by foreign enterprises is over.” (Some observers cited in the July/August issue of *Against the Current* are skeptical of his rhetoric. They predict that nationalization —now the state receives 82% of the revenue, foreign companies 18% — will end up with private companies receiving much more.)

These efforts to assert national sovereignty and advance social justice are part of the recent defiance of U.S. hegemony in Latin America. Though the Bush administration continues to rail against “false populism” and terrorism on the continent and in Cuba (Castro and Chavez are especially guilty targets with Morales taking third place), the U.S. is increasingly losing power and influence. Solidarity activists in the North should do all they can to speed up this process and support their partners in the South.

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Sources

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