

# Modern Latin America

FIFTH EDITION



Thomas E. Skidmore  
Peter H. Smith

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*Thomas E. Skidmore*  
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New York Oxford  
OXFORD UNIVERSITY PRESS  
2001

Oxford University Press

Oxford New York

Athens Auckland Bangkok Bogotá Buenos Aires Calcutta  
Cape Town Chennai Dar es Salaam Delhi Florence Hong Kong Istanbul  
Karachi Kuala Lumpur Madrid Melbourne Mexico City Mumbai  
Nairobi Paris São Paulo Singapore Taipei Tokyo Toronto Warsaw

*and associated companies in*  
Berlin Ibadan

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Published by Oxford University Press, Inc.  
198 Madison Avenue, New York, New York 10016  
<http://www.oup-usa.org>

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#### **Library of Congress Cataloging-in-Publication Data**

Skidmore, Thomas E.

Modern Latin America / Thomas E. Skidmore, Peter H. Smith.—5th ed.  
p. cm.

Includes bibliographical references (p. ) and index.

ISBN 0-19-512995-4 (cloth)—ISBN 0-19-512996-2 (paper)

1. Latin America—History. I. Smith, Peter H. II. Title.

F1413 .S55 2001

980—dc21

99-056169

Printing (last digit): 9 8 7 6 5 4 3 2

Printed in the United States of America  
on acid-free paper

# ACKNOWLEDGMENTS

For this fifth edition we have updated our interpretation of modern Latin American history in the context of a rapidly changing international environment. The end of the Cold War has removed one of the defining characteristics of post-1945 Latin America and brought new issues to the forefront of the inter-American agenda, among them free trade, drug trafficking, and illegal migration. Concern with economic restructuring (on neo-liberal lines) has focused attention on age-old questions of poverty, inequality, and social justice.

The continuation of civilian rule has given reason for hope that Latin America may yet succeed in overcoming the fateful historical legacy outlined in this book. At issue is not only the consolidation of democracy but also the extent and quality of democratic governance.

For work on this fifth edition we would like to acknowledge the assistance of Ana Spiguel, Erik W. Lee, Claudia Becker, James Woodard, Alfonso Vega, Maria Ospina, and Jeffrey Nield.

Once again we welcome comments and suggestions from readers.

*Providence, Rhode Island*  
*La Jolla, California*

T. E. S.  
P. H. S.

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# WHY LATIN AMERICA?

“The U.S. will do anything for Latin America, except read about it,” according to James Reston, for many years the dean of U.S. political commentators. Is there any reason why we should try to prove him wrong? There are several. First, our nation’s economic interests are deeply involved in the region. Latin America is one of our major trading partners. It is the site of much U.S. investment and a source for oil and other critical raw materials. An acceleration of growth in key countries—such as Mexico and Brazil—may soon produce significant new powers on the world scene.

We also have political links. Revolutionary upheavals and repressive responses in Latin America directly challenge U.S. foreign policy. They raise difficult questions about how to protect and promote U.S. national interests (defined as not simply economic or strategic interests). Ronald Reagan dramatized this fact shortly after his 1980 election by meeting with Mexican President José López Portillo on the U.S.-Mexican border, in what was the U.S. president’s first such conference with any other head of state. Later in the 1980s the United States divided bitterly over support for an exile army (the *Contras*) fighting to overthrow the Sandinista government in Nicaragua. President George Bush emphasized his own concerns by seeking a special relationship with Mexico and proposing a free-trade agreement that would tighten economic bonds between all of Latin America and the United States. His successor and political rival, President Bill Clinton, has followed up the free-trade initiative by hosting a hemispheric “Summit of the Americas” at Miami in December 1994.

There is another important consideration closer to home. Large sections of our country have become Latinized by the influence of migrants from Mexico, Puerto Rico, Central America, the Caribbean, and even Brazil. This is in addition to the Hispanic descendants of the original Spanish-speaking population of the formerly Mexican Southwest. Migration, both historical and recent, then brought peoples and customs from Latin America to the American Southwest (from Texas to California), Florida, and New York. Many major U.S. cities now have more children from Spanish-speaking families than from any other group. Bilingualism has become a

political issue forcing us to rethink the meaning of Spanish-speaking America, both within our borders and beyond.

Most U.S. citizens (or “North Americans,” as we are commonly called in Latin America) know little about our neighboring societies to the south. Many believe that the United States can impose its will on the region through “big-stick” diplomacy or military might. Others do not even care. Looking for an “easy” foreign language, high school or college students choose Spanish and then assume everything associated with speaking Spanish must be “easy.” Such ignorance can be dangerous, and one purpose of this book is to help reduce misinformation. In fact, this lack of knowledge is felt just as keenly in West Europe. British journalists are alleged to have once had a contest to think up the most boring newspaper headline imaginable (it had to be real and actually printed) and they came up with “Small Earthquake in Chile: Not Many Dead.” Chile’s complex history over the last thirty years puts that provincialism into painful relief.

By training and outlook, most North Americans and Europeans search for intellectual formulae that will yield clear-cut answers to our inquiries: the “Latin lover,” the “Frito Bandito,” the soulful Che Guevara, the Brazil-

U.S. Stereotypes of Latin America

On December 10, 1940, the Office of Public Opinion Research conducted a nation-wide poll in which respondents were given a card with nineteen words on it and were asked to indicate those words that seemed to describe best the people of Central and South America. The results were as follows:

Dark-skinned	80%	Imaginative	23%
Quick-tempered	49%	Shrewd	16%
Emotional	47%	Intelligent	15%
Religious	45%	Honest	13%
Backward	44%	Brave	12%
Lazy	41%	Generous	12%
Ignorant	34%	Progressive	11%
Suspicious	32%	Efficient	5%
Friendly	30%	No answer	4%
Dirty	28%	No opinion	0%
Proud	26%		

Since respondents were asked to pick as many descriptive terms as they liked, percentages add to considerably more than 100.

From John J. Johnson, *Latin America in Caricature* (Austin: University of Texas Press, 1980), p. 18; Hadley Cantril ed., *Public Opinion, 1935–1946* (Princeton: Princeton University Press, 1951), p. 502.

ian mulatta carnival queens—these are the images that often first come to mind. But when we move beyond these caricatures (which have their own truth to tell), we find Latin America to be a complex region.

Latin America is not an easy place to understand, despite the fact that the same language, Spanish, is spoken everywhere—except Brazil (Portuguese), the Andes (Quechua and other Indian languages), the Caribbean (French, English, and Dutch), Mexico (scattered pockets of Indian languages), and Guatemala (over twenty Indian languages). The term Latin America covers a vast variety of people and places. Geographically, Latin America includes the land mass extending from the Rio Grande border between Texas and Mexico to the southern tip of South America, plus some Caribbean islands: a total area two and one-half times the size of the United States. Brazil itself is larger than the continental United States.

Physical features present sharp differences: from the Andean mountain range, stretching the full length of western South America, to the tropical forest of the Amazon basin; from the arid plains of northern Mexico to the fertile grasslands of the Argentine pampa. The people of Latin America contain elements and mixtures of three racial groups—native Indians, white Europeans, and black Africans. By 1997 the total population came to 494 million, compared with 268 million in the United States.

Latin American society displays startling contrasts—between rich and poor, between city and country, between learned and illiterate, between the powerful lord of the hacienda and the deferential peasant, between wealthy entrepreneurs and desperate street urchins. Politically, Latin America includes twenty-six nations, large and small, whose recent experience ranges from military dictatorship to electoral democracy to Fidel Castro's socialist regime in Cuba (see Map 1). Economically, Latin America belongs to the “developing” world, beset by historical and contemporary obstacles to rapid economic growth, but here too there is diversity—from the one-crop dependency of tiny Honduras to the industrial promise of dynamic Brazil.

Throughout their modern history Latin Americans have sought, with greater or lesser zeal, to achieve political and economic independence from colonial, imperial, and neo-imperial powers. Thus it is bitter irony that the phrase “Latin America” was coined by mid-nineteenth-century French, who thought that since their culture, like that of Spanish and Portuguese America, was “Latin” (i.e., Romance language-speaking), France was destined to assume leadership throughout the continent.

As these observations suggest, Latin America resists facile categorization. It is a region rich in paradox. This insight yields a number of instructive clues.

First, Latin America is both young and old. Beginning in 1492, its conquest by the Spanish and Portuguese created a totally new social order based on domination, hierarchy, and the intermingling of European, African, and indigenous elements. The European intrusion profoundly and ineradicably altered the Indian communities. Compared with the ancient

MAP 1 Contemporary Latin America



civilizations of Africa and Asia, these Latin American societies are relatively young. On the other hand, most nations of Latin America obtained political independence—from Spain and Portugal—in the early nineteenth century, more than 100 years before successful anticolonial movements in other Third World countries. Thus by the standard of nationhood, Latin America is relatively old.

Second, Latin America has throughout its history been both tumultuous and stable. The Conquest began a tradition of political violence that has erupted in coups, assassinations, armed movements, military interventions, and (more rarely) social revolutions. Ideological encounters between lib-

eralism, positivism, corporatism, anarchism, socialism, communism, fascism, and religious teachings of every doctrinal hue have sharpened the intensity of struggle. Despite the differing forms of political conflict, old social and economic structures have persisted. Even where modern revolutions have struck, as in Mexico (1910) and Bolivia (1952), many aspects of traditional society survive. The Cuban Revolution (1959) seems at first an exception, yet even in Cuba the pull of history has continued to be strong, as we shall see.

Third, Latin America has been both independent and dependent, autonomous and subordinate. The achievement of nationhood by 1830 in all but parts of the Caribbean basin represented an assertion of sovereignty rooted in Enlightenment thought. Yet a new form of penetration by external powers—first Britain and France, then the United States—jeopardized this nationhood. Economic and political weakness vis-à-vis Europe and North America has frequently limited the choices available to Latin American policymakers. Within Latin America, power is ironically ambiguous: it is the supreme commodity, but it has only a limited effect.

Fourth, Latin America is both prosperous and poor. Ever since the Conquest, the region has been described as a fabulous treasure house of natural resources. First came the European lust for silver and gold. Today the urge may be for petroleum, gas, copper, iron ore, coffee, sugar, soybeans, or for expanded trade in general, but the image of endless wealth remains. In startling contrast, there is also the picture of poverty: peasants without tools, workers without jobs, children without food, mothers without hope. An aphorism oft repeated in Latin America summarizes this scene: "Latin America is a beggar atop a mountain of gold."

One can easily think of additional contrasts, but these should illustrate the difficulty—and fascination—in trying to come to grips with Latin America. To understand Latin American history and society requires a flexible, broad-gauge approach, and this is what we try to offer in this book. We draw on the work of many scholars, presenting our own interpretation, but also acquainting the reader with alternative views.

### *Interpretations of Latin America*

Most analysts of modern Latin America have stressed the area's political instability, marked frequently by dictatorship. North American and European observers have been especially fascinated with two questions: Why dictatorships? Why not democracy? This preoccupation is not recent. In 1930, for example, a U.S. economic geographer specializing in the region observed, "the years roll on and there arise the anxieties and disappointments of an ill-equipped people attempting to establish true republican forms of government." A year earlier an English scholar had noted that "the political history of the republics has been a record of alternating periods of liberty and despotism." Implicitly assuming or explicitly asserting that their style of democracy is superior to all other models of political organization,

North American and European writers frequently asked what was “wrong” with Latin America. Or with Latin Americans themselves.

What passed for answers was for many years a jumble of racist epithets, psychological simplifications, geographical platitudes, and cultural distortions. According to such views, Latin America could not achieve democracy because dark-skinned peoples (Indians and blacks) were unsuited for it; because passionate Latin tempers would not stand it; because tropical climates somehow prevented it; or because Roman Catholic doctrines inhibited it.

Each charge has its refutation: dictatorial rule has flourished in predominantly white countries, such as Argentina, as well as among mixed-blood societies, such as Mexico; it has appeared in temperate climes, such as Chile, not only in the tropics, such as Cuba; it has gained support from non-Catholics and nonpracticing Catholics, while many fervent worshippers have fought for liberty; and, as shown by authoritarian regimes outside Latin America, such as Hitler’s Germany or Stalinist Russia, dictatorship is not restricted to any single temperament. Such explanations not only failed to explain. When carried to extremes, they helped justify rapidly increasing U.S. and European penetration—financial, cultural, military—of the “backward” republics to the south.

The scholarly scene improved in the late 1950s and early 1960s, when North American social scientists formulated “modernization theory.” As applied to Latin America, this theory held that economic growth would generate the social change that would in turn make possible more “developed” politics. The transition from a rural to an urban society would bring a change in values. People would begin to relate to and participate in the voluntary organizations that authentic democracy requires. Most important, a middle class would emerge—to play both a progressive and moderating role. Latin America and its citizenries were not so inherently “different” from Europe and North America. Instead they were simply “behind.” Modernization adepts thought the historical record showed this process was well under way in Latin America.

Thus analysts went to work describing Latin American history in the light of modernization theory. One optimistic and widely read U.S. scholar found in 1958 that the “middle sectors” had “become stabilizers and harmonizers and in the process have learned the dangers of dealing in absolute postulates.” The author of a late-1970s textbook on Latin American history saw “Latin American history since independence . . . as modernization growing slowly against the resistance of old institutions and attitudes.”

Reality, however, proved harsher. Instead of spreading general prosperity, economic growth in the 1960s and 1970s (and it reached sustained high rates in Mexico and Brazil) generally made income distribution more unequal. The gap in living standards between city and countryside grew. Domestic capital’s ability to compete with the huge transnational firms declined. Meanwhile, politics was hardly following the model predicted by

### Dimensions of Diversity

Although we commonly speak (and think) of “Latin America” as a single entity, it is essential to recognize the enormous varieties that exist within the region. As this summary shows, there are major differences in population size (Brazil being five times larger than Argentina, for instance, and more than ten times the size of Chile); income per capita (Argentina far outdistancing Mexico, Peru, and the Dominican Republic); and demographic composition (Argentina and Chile being essentially European, Mexico and Peru being mostly *mestizo*, and Brazil and the Dominican Republic being largely mulatto).

One of our principal intellectual challenges is to understand the causes and the consequences of such variations. For further data and comparisons, see the Statistical Appendix.

	Population (millions)	GNP/Capita (U.S. dollars)	Demographic Composition (principal elements only)
Argentina	36	8,570	European
Brazil	164	4,720	European, African, mulatto
Chile	15	5,020	European
Mexico	95	3,680	European, indigenous, <i>mestizo</i>
Peru	25	2,460	European, indigenous, <i>mestizo</i>
Dominican Republic	8	1,670	European, African, mulatto

Note: *Mulattos* are from European and African forebears, *mestizos* from European and indigenous.

Source for population and GNP data as of 1997: World Bank, *World Development Report 1998–99: Knowledge for Development* (New York: Oxford University Press, 1999), Table 1, pp. 190–191.

many experts on modernization. The middle strata, relatively privileged, forged a sense of “class consciousness” which, in critical moments of decision, such as in Argentina in 1955 or 1976, Brazil in 1964, and Chile in 1973, led them to join the ruling classes in opposition to the popular masses. Politics took an authoritarian turn, producing military governments. And in stark contradiction of modernization theory, these patterns emerged in the most developed—and most rapidly developing—countries of the continent. What had gone wrong?

Two sets of answers came forth. One group of scholars focused on the cultural traditions of Latin America and their Spanish and Portuguese origins. These analysts argued, in effect, that antidemocratic politics was (and remains) a product of a Roman Catholic and Mediterranean world view that stressed the need for harmony, order, and the elimination of conflict. By failing to grasp these continuities in the Iberian experience, scholars had confused form with substance, rhetoric with reality. Latin America’s constitutions were never as democratic as they appeared, party politics was

not as representative as it might have looked. The North American and European academic community, afflicted by its own myopia and biases, had simply misread the social facts.

A second group of scholars accepted modernization theory's linking of socioeconomic causes with political outcomes but turned the answer upside down: Latin America's economic development was qualitatively different from that of North America and West Europe, and therefore it produced different political results. Specifically, these scholars argued, Latin America's experience was determined by the pervasive fact of its economic dependence. "By dependency," as one exponent of this viewpoint has explained,

we mean a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more economies, and between these and world trade, assumes the form of dependence when some countries (the dominant ones) can expand and be self-sustaining, while other countries (the dependent ones) can do this only as a reflection of that expansion, which can have either a positive or a negative effect on their immediate development.

By its intrinsic character, "dependent development" generated inequities, allocating benefits to sectors participating in the world market and denying them to other groups. A typical case might involve a country whose economic growth relied on a single export crop, such as coffee or sugar. A national landowning elite, the planters, would collaborate with export-import merchants, often foreign, to sell the goods on an overseas market. Most profits would be restricted to those groups. The planters would use much of their money to import high-cost consumer goods from Europe or the United States, and the merchants (if foreign) would remit profits to their home countries. The export earnings would therefore provide precious little capital for diversifying the local economy, thus creating a situation that some observers have labeled "growth without development." Because of a labor surplus, field workers would continue to receive low wages; groups outside the export sector would get little benefit. Consequently, regional imbalances would intensify and income distribution would become more unequal than before. What growth occurred, moreover, would be subject to substantial risk. If the overseas market for coffee or sugar contracted—for whatever reason, as it did in the 1930s—then the entire economy would suffer. It would in this sense be "dependent" for its continued growth on decisions taken elsewhere and it would be, as our just-cited author says, "conditioned by the development and expansion of another economy."

The proponents of "*dependencia* theory," as it quickly came to be known, maintained that economic dependency leads to political authoritarianism. According to this view, "the dependent" location of Latin America's economics placed inherent limitations on the region's capacity for growth, es-



pecially in industry. The surest sign of this economic trouble is a crisis in the foreign accounts—the country's ability to pay for needed imports. Exports lag behind imports, and the difference can only be made up by capital inflow. But the foreign creditors—firms, banks, international agencies such as the World Bank—deny the necessary extra financing because they believe the government cannot impose the necessary “sacrifices.” Backed against the wall, the country must take immediate steps to keep imports flowing in. Political strategy falls hostage to the need to convince the foreign creditors.

The most frequent solution in the 1960s and 1970s was a military coup. The resulting authoritarian government could then take its “hard” decisions, usually highly unpopular anti-inflation measures, such as increased public utility prices, cuts in real wages, and cuts in credit. Hardest hit are the lower classes. To carry out such policies therefore requires a heavy hand over the popular sectors. Thus, the coups and repressive authoritarian regimes that emerged in Brazil, Argentina, and Chile came about not in spite of Latin America's economic development, but because of it.

The 1980s replaced these authoritarian regimes with civilian leaders and elected governments. Explanations for this trend took many forms. Once thought to be dominant and monolithic, authoritarian regimes came to display a good deal of incoherence and fragility. Everyday citizens rose up in protest movements, formed civic organizations, and demanded popular elections. Confronted by severe economic crisis, people from Argentina and Chile to Central America sought to express their political rights. By the mid-1990s almost all countries of the region, with the conspicuous exception of Cuba, had elected governments. Whether or not these new regimes were fully “democratic,” a point that led to much debate, they represented considerable improvement over the blatantly dictatorial patterns of the 1970s. Many observers expressed the optimistic hope that, at long last, Latin America was moving toward a democratic future.

Economic prospects brightened as well. Under pressure from international creditors throughout the 1980s, Latin American leaders imposed far-reaching measures designed to “liberalize” their national economies—reducing tariffs and other barriers to trade, selling state-supported companies to private investors, and curtailing deficit spending. Inflation declined and foreign investment increased. As a result, average growth in Latin America rose from a scant 1.5 percent per year in 1985–89 to 3.5 percent in the early 1990s. The unexpected onset of economic crisis in Mexico in late 1994 and in Brazil in early 1999 led to disenchantment and confusion, but many analysts remained hopeful that, in the long run, the economic outlook remained positive.

Scholars approached these political and economic developments with intellectual caution. Instead of launching grand theories, such as modernization or dependency, political analysts stressed the role of beliefs, ideas, and human conviction. Some interpreted the turn toward democracy in Latin America and elsewhere as a global triumph of U.S. values, es-